The China Weekly

REVIEW

密勒氏評論報

A Weekly Newspaper Established in 1917

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French Opposition to a Non-French Airline Into Yunnan

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(By the Review's Harbin Correspondent)

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Contents

Editorial Paragraphs

Will China Reduce American Passport Visa Fee ?... 295
French Opposition to a Non-French Airline Into Yunnan 296
Nazi Germany and the Far East..... 296
Japanese Imperialists Want Most Powerful Navy in Preparation for World Clash..... 298
Hu Han-min's Role in the Present Scheme of Things 300
Why the Fukien Independence Movement Collapsed 302
Japanese Legation Announces Creation of "Emperor" for China's Northeastern Provinces 304

Special Articles

Japanese Diet to Reassemble January 23—Grave Problems to Be Discussed 306
The C.E.C. Meet—Its Mission and Problems ..... By C. Y. W. Meng 308
General Chang Hsueh-liang Returns ..... By Paul K. Whang 312
American Recognition of Soviets Shocks Japanese 314
Outlook of the Impending War Between Soviet Russia and Japan.....By Chen Pin-ho 314
The Settlement of the Revolt in Fukien .....By Wang Ching-wei 318
Who's Who in China..... 323
Men and Events 324
New Books of Interest in the Far East 326

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WILL CHINA REDUCE AMERICAN PASSPORT VISA FEE?

THE Shanghai *Evening Post* the other day reprinted from the *Literary Digest* a list of the visa fees required by various countries of the world. The significance of the *Digest's* printing an article on the subject of visa fees is that it appears in a part of the journal which contains a large number of advertisements offering travel tours. It is that phase of the subject that should be of particular interest to China. Whatever the rights or wrongs of the visa matter may be, the condition that confronts the American traveler to-day (and be it remembered that Americans, even in these hard times, furnish the largest proportion of travellers of any country on earth) is that if he visits Japan or Japanese territory he is accorded a visa free of charge, but that if he wishes to visit China he has to pay a visa fee of ten American dollars and, even though it has depreciated in relation to gold by more than 40 percent, the American Dollar looks just as big today to an American as it ever did—even bigger, in many cases. Although we understand there are exceptions to this rule, as a general principle this ten dollar fee is collected from Americans each time that the American touches the China coast. Thus, if an American takes a round-trip out from America on a boat the terminus of which is Manila, he is charged a U.S.$10 visa fee when he calls at Shanghai in the first instance, and then another U.S.$10 visa fee on the boat's return to Shanghai,—or otherwise he will not be allowed to land. There have been exceptions to this procedure, but that is the general rule. The attitude which China takes on this matter of visa fees is the logical one that she is only doing what America has been doing, but, according to the *Evening Post*, America has signified its willingness either to decrease the fee or abolish it altogether, but China has declined to acquiesce. Whether or not that is true, the situation as it exists is one from which China will in the end suffer more than it gains. The Japanese have long since seen that point, and as a result have gained much *kudos* in the eyes of American travelers—and in that way American opinion has been greatly influenced. Americans, as a whole, take little interest in foreign affairs, their attention being largely centered in their particular business specialty and in their immediate neighborhood. The attitude of the average American regarding matters on this side of the earth, outside of a Shanghai bombardment or something of similar magnitude, is that it is too far away to "worry" about. But when travelers come back and give China a black eye, and laud Japan, that is something that Americans at home remember. The great majority of them lose sight of the fact that what China has been doing is only in retaliation for what America has done—in fact, so far as a great many are concerned, that will not

make them view China's action in this matter any more favorably. China loses heavily financially through other countries (and particularly Japan) taking away its silk and tea trade, and it might be worth while for China to consider whether it shall lose the chance to build up a large tourist trade—as Japan has done—simply because it feels peeved about a matter which, so far as its practical aspects are concerned, stands on quite a different basis.

FRENCH OPPOSITION TO A NON-FRENCH AIRLINE INTO YUNNAN

THE mishaps of the China National Aviation Corporation airplane in Caobang, Tonkin, Indo-China —where it was forced to land on a flight from Canton to Yunnan-fu and held for 15 days by the French authorities—make instructive reading, but the incident should not be surprising to these who followed Wilbur Burton's series on "The French Strangle-Hold on Yunnan" which appeared in these cloumns last fall and have since been published in booklet form.

There was, of course, no malice in holding the plane, as *Havas*, the faithful French propaganda agency, explained in a dispatch on January 11 from Hanoi. The fliers had merely neglected to obtain authorization to fly over Indo-China and "consequently they had to proceed to Hanoi to fulfill all the customary formalities." Well, Hanoi is a very pleasant place at this time of the year and the French are one of the most charming and hospitable peoples on earth, so no sympathy need to be wasted on the fliers as individuals, but the C.N.A.C. may well be worried over the prospects of establishing its contemplated airline to Yunnanfu.

For the Caobang incident indicates definitely that the French are registering opposition even to aerial competition to their present control of the only practical route between the rest of China and Yunnan, that is, *via* the French railway from Haiphong through Tonkin. All the pleasant explanations about "customary formalities" are merely excellent examples of the Gallic "mailed fist in a velvet glove." Eventually, of course, the line may be established with the blessing of Paris,—but when the French agree to something they initially oppose, there is usually a stiff *quid pro quo* entered in the ledgers of the Quai d'Orsay.

As outlined heretofore in *The China Weekly Review*, the French not only dominate Yunnan for all practical purposes, but also have a powerful grip on Kwangsi. A major item of their hold on Kwangsi is the enormous opium traffic that moves across that province from Yunnan to Kwangtung and other places in South China and which provides the Kwangsi government with one-fourth of its budgeted revenues. On last October 28, it was pointed out in these columns that a significant story was circulating in Canton that Yunnan's opium route would be shifted away from Kwangsi. Only one conclusion could be drawn from that report: that the French were in some way involved, for the Kwangsi route is the most practical one, since opium transit through Indo-China is prohibited for fear of smuggling (and probably also because the French can utilize this traffic to control Kwangsi), and the Yunnanfu government would not likely make any change except at French instigation.

At the same time this story was circulating, it was reported from Yunnanfu that the Lung Yun regime there had definitely rejected an offer from Kwangsi to join an anti-Nanking bloc of the southwestern provinces.

Well, the opium traffic continues today across Kwangsi; a news dispatch this month stated that the largest caravan of poppy nectar in history had arrived in Kwangsi from Yunnan. What has happened behind the scenes, one can only surmise. Kwangsi, for example, has remained neutral in the Nanking-Fukien warfare. Maybe there is some connection between that and Yunnan's opium; maybe not. But it is pointed out in "The French Strangle-Hold on Yunnan" how M. Baudez, French consul in Yunnanfu admitted, perhaps inadvertently, that the French can always keep Yunnan ostensibly loyal to Nanking on a *quid pro quo* basis.

Since the proposed airline contemplates a route between Canton and Chungking, it will cross Kwangsi, and consequently the situation there must be considered. It is not necessary for the line to cross any part of Indo-China, however; it seems to have been an accident that the pioneering plane flew across the Tonkin border to Caobang. And strong as France's grip on Yunnan and Kwangsi is, she is not in a position to interfere directly with any planes outside of wholly French territory,—but her actions in Caobang indicate she will stop at nothing (which is saying a lot) to oppose the C.N.A.C. venture unless she is properly appeased.

NAZI GERMANY AND THE FAR EAST

THE realignment of world powers that started with the triumph of the Nazis in Germany almost a year ago has not yet been completed, but the new deal Hitler instituted has already had some effect on the Far East and will probably become an increasingly greater factor out here as time goes on.

The chief result so far definitely apparent out of the Nazi upheaval—that is, in international relations—has been the conversion of the Soviet Union from the principal disturber of the post-war *status quo* into an eager defender of that *status quo*. The Nazis alone, of course, are not responsible for this, but they decisively completed a process that started in China in 1927 when the rise of the Nanking government ended all immediate prospects of either a Soviet China or a transformed China which would be allied with the U.S.S.R. along the lines of Turkey. Practically speaking, China was the last stand of Russian revolutionary foreign policy for it had already failed in western Europe except negatively,—that is to say, the Soviet Union had managed to save itself from dismemberment. Immediately after 1927, the Soviet Union started devoting most of its energies to economic nationalism although it was still feared as a very disturbing factor in the capitalist-imperialist world since China on one side was by no means freed from revolutionary possibilities, and Germany on the other side contained a powerful communist element that might be able to triumph at any time.

Then, in 1931 and 1932, came Japan's successful conquest of Manchuria. This not only buffered the Soviet Union in the Far East but presented her with a dangerous neighbor on a border that she had hitherto not been forced to defend to any appreciable extent. And then, in 1933, Hitler's ascent to power not only changed Germany almost overnight from Russia's best friend and ally in the West to her avowed enemy, but also liquidated with almost incredible ease all probability of Red revolution in Western Europe at any time in the predictable future. If the Teutonic cohorts of communism—including 5,000,000 Red voters with presumably at least as many more willing to enlist in any actual revolutionary uprising—could be almost completely dispersed in a few months' time, the Third Internationale could no longer be regarded as a very strong arm of the Soviet government. So it came to pass, in the words of a current song, "Who's Afraid of the Big Bad Wolf?"

Hitler's rise, on the other hand, offered a definite threat to the *status quo* in the good, old-fashioned way. Nazi Germany made clear she would never be content

until she could re-arm and otherwise liquidate the Versailles Treaty, including repossession of the Polish Corridor and the establishment of new colonies somewhere sooner or later. In brief, Nazi Germany threatened a restoration of Hohenzollern Germany insofar as a place in the sun was concerned. Hitler's formula, although never publicly expressed in so many words, for this achievement was an anti-Soviet crusade which would not only free Europe from "the menace of Bolshevism," but would also territorially compensate France, Poland, *et al* for any losses in map revision for the greater glory of Germany.

Had Hitler been able to make his offer when the Bolshevik onslaught in the Orient was at its height and European powers were in deadly fear of the loss of their imperial domains, it would have beyond doubt been accepted with promptness. Its acceptance is still not impossible. Certainly no realist can doubt that ever since the rise of the Soviet Union, nationalism is available for sacrifice at any time on the altars of capitalism. But with capitalism no longer in any apparent danger outside of Russia from communism, the situation is radically changed.

Further, with the rise of the Nazis, the Soviet Union began further exmphasizing a strictly nationalist policy—which is to say, the preservation of the *status quo* since Moscow has no incentive whatsoever for any territorial aggression in any part of the world. Throughout last year, the Soviet Union negotiated numerous non-aggression pacts with her Baltic and Balkan neighbors, all of which, as was pointed out in these columns a few months ago in quotations from Louis Fischer, were based on a formula that precluded any Russian assistance whatsoever to any revolutionary enterprise in the countries signing the treaties.

France, it is significant, immediately reacted to the ascent of Hitler by increasing friendliness to Moscow, including negotiations that are still continuing. To be sure, the ultimate object of Paris may be to obtain a better deal from Hitler,—but if Moscow is willing to be a defender of the *status quo*, why should France run the risk of an upset in the existing balance of power which in the end might hurt her more than help her? And on Moscow's part, defense of the *status quo* is certainly to her advantage at the present time. Her present leaders believe, or at least profess to believe, that socialism can be established in one country alone; she is not very well prepared for a war unless, as would be well-nigh unlikely, it would be confined to one enemy; and the communist debacle in Germany indicates that proletarian strength in capitalist countries is not very potent.

For the present, therefore, the trend appears to be in Europe to enlist the U.S.S.R. as any ally in preserving the *status quo*. Even British-Soviet relations appear to be growing more friendly. Italy also appears to be maintaing closer relations than ever before with Moscow. This does not mean that some concessions will not be made to Germany. Certainly Germany will re-arm; in fact, has already started to re-arm. But Nazi hopes appear dim for any immediate alteration of the European map except, perhaps, the rendition of the Saar.

That the United States has already reached an understanding with the U.S.S.R. in regard to the present *status quo* in the Far East, cannot help but affect European policy along similar lines. To be sure, there has been no formal treaty between the U.S. and the U.S.S.R., but all observers agree that President Roosevelt and M. Litvinoff reached some tacit agreement about Japan,—and the decrease in Tokyo's belligerency toward Moscow since the Roosevelt-Litvinoff conversations is proof of the pudding. Of course, the rise of the Nazis had no direct bearing on U.S.-U.S.S.R. negotiations, but the shadow of Hitler may be discerned in Litvinoff's commitment that the Soviet Union would not only not engage in any revolutionary activity in or against the United States, but would also not tolerate any such activity by Soviet citizens or on Soviet territory. This agreement even goes farther than the non-aggression pacts previously mentioned in abandoning revolution as an instrument of Bolshevik foreign policy.

Thus the Soviet Union has become "respectable" in the bourgeois sense of that word except to a class of diehards in various parts of the world of the same ilk as those in China who think the Nanking government is a menace to foreign interests. Certainly the communist experiment in Russia is no more palatable to the capitalist-minded than it ever was, but the capitalists of the world today are too occupied in defending themselves—not against communism, but against chaos,—that they no longer have either the time or the energy requisite for a campaign to restore the old order in Muscovy. And insofar as the Soviet Union can be employed international maneuvers to preserve the peace and safety of the nations now dominant, she will be treated as a comrade.

Heretofore, Japan has had the support, or at least the tolerance, of all European nations in her aggression on the Asiatic mainland. In part this has been due, as has already been indicated, to a desire of the major European nations to buffer the Soviet Union in the Orient. But as Japan continues to seek to extend her hegemony in China at the expense of these Europeans nations, we may expect to see other countries follow the lead of the United States in reaching an understanding with Moscow to counter Tokyo's rampage. As has already been pointed out, the U.S.S.R. has no territorial ambitions anywhere, and it will be some time before she is prepared to offer any intensive competition to other great nations in Far Eastern trade. Consequently, in a "respectable" role she is a much safer ally than Japan.

It must be emphasized that this is what is now *indicated:* it is by no means assured. Only time can reveal what really will happen in the ever-shifting scenes of international politics. If, however, the Soviet Union is engaged in cooperation with France, England, *et al* to tame Nazi Germany on one hand and Japan on the other, there can be only one logical result: eventually Japan and Germany will get together on some common imperialistic basis. That, however, will require time, for at the quickest it will take Germany several years to acquire the necessary military strength to *demand* instead of *request*. And if and when that time comes, there will doubtless be another new deal in both the Occident and the Orient.

W. B.

Soviets Arrest Swiss Engineers—Metro-Vickers Affair Recalled

All employees of the Swiss Control Comany of Black Sea ports were arrested in Moscow Jan 14, including two Germans, two Austrians, a Belgian and Dane. They have not yet been charged and diplomatic representatives have been denied access to them. It is alleged that the employees had undertaken transactions not connected with their company's business. The firm controls the shipment of cargoes to Black Sea ports. The case is similar in nature to the Metropolitan Vickers affair which concerned four British engineers, who were arrested on charges of sabotage of electrical machinery and economic espionage.

Police Kill and Wound Strikers at Kailan Mines

A strike of miners employed by the Kailan Mines was declared Jan. 14 in protest against the decision of the Board of Directors of the Administration to suspend work in five pits on account of depression in the coal business. A clash between the miners and the police occurred when a delegation called at the mining department and demanded the annulment of the Administration's decision. One man was killed, three seriously wounded, and five slightly injured when the police fired on the crowd.

Japanese Imperialists Want Most Powerful Navy in Preparation For World Clash

REPORTS during the past week have made it more certain than ever that Japan intends to give notice of her withdrawal from the 1922 Naval Treaty, fixing the respective naval power of the United States, Britain, and Japan in a ratio of 5, 5, and 3. Japan, which has already built up more closely to the permitted maximum than either America or Britain, is now out for full naval equality with the two senior Great Powers.

This, however, tells only a part of the story, even as regards naval strength. In submarines, for instance, the Japanese Navy possesses a tonnage approximately equal to that of the United States at present. And when Japan gains full parity as regards other classes of war vessels, her navy will unquestionably be the biggest in the world, supplemented as it will be by the growing naval strength of her puppet state of "Manchukuo." The Japanese have been steadily building up the "Manchukuo" Navy, not bound by any treaties or understandings whatsoever, but this fleet is just as completely and fully under Japanese control as the war vessels of His Imperial Japanese Majesty.

As an indication of Japan's growing strength, its attitude is significant. The aim of Japan's military leaders is now world dominion. Intoxicated by their comparatively easy victory over China, they are reaching out for bigger things. A blind megalomania makes them see themselves as "saviors of the world," and for this task the most powerful armies, navies, and air fleets are a pre-requisite. Gen. Araki, near-dictator of Japan, sounded the key-note of the new policy in his New Year's message to the Japanese nation declaring that "Japan with her gifted supreme mission must endeavor to achieve the fusion of East and West and the spiritual and material development of the world, thus carrying out Japan's holy task to save the world from utter chaos."

It is this more extreme wing of militarists who are now in the saddle in Japan. It will be recalled that in the last few months four full admirals, who participated in the London Naval Conference in 1930 and agreed to a limitation not satisfactory to the patriomaniacs, were forced to retire, leaving Vice-Admiral Suetsugu, powerful "Big Navy" man, virtually supreme. At about the same time, Japanese naval regulations were so altered as to exclude Japanese civilian officials from any right to sign any agreement or treaty limiting the Japanese Navy. The most blatant militarists are today in supreme control, with no possibility of interference by civilian officials.

Just what the effect of the new demands will be in America it is not difficult to see. The United States has already stated officially that it could not postpone its building program, bringing the navy up to full treaty limits, and also admitted frankly that the navy was being kept in the Pacific for purposes of defence against Japan. America's "Big Navy" men, and builders of battleships, are highly gratified at the probability of Japan's giving notice of withdrawal from the 1922 ratio, anticipating enormous appropriations for warships, as well as aeroplanes, in a new race in which the United States has every advantage, and American battleship builders will profit immensely.

There are, however, other forces at Washington, which may offer resistance to the Japanese demand for naval parity, pointing out that this is unnecessary for defence purposes since there are no Pacific bases from which the Island Empire could be easily attacked. The ruling clique of Japanese militarists, however, does not seem inclined today to give ear to any such protests. The only resistance they seem to respect is armed resistance, and Washington is not likely to resort to this at the present stage.

There are, indeed, sane men in Japan who realize the peril of the present course. Baron Wakatsuki, Japan's chief delegate to the London Naval Conference in 1930, pointed out three months ago that the failure of the 1935 Conference would precipitate a new armament race with the United States in which Japan would be badly outclassed, but he was immediately silenced. It is clear, however, that with the tremendously superior wealth, resources, and population of the United States, Japan would be left far behind in any such race as that which seems to have already started. The United States has not even begun to build up to the full capacity which its wealth and resources make possible. And the National Recovery movement, far from grudging Government money, is greatly increasing its expenditure. Naval expansion will give employment to many jobless, and create great prosperity among shipbuilding and armament firms. The first year of America's new twenty-year construction program will, if adopted, bring the American fleet practically up to treaty limits, though hardly touching the potential economic capacity of the United States. But it is obvious not only to every intelligent foreign observer of Japan, but to every sane Japanese, that the Island Empire is being bled white by the expenditures of the militarists.

At the close of 1933 the United States stood some 207,000 tons below the tonnage authorized under the London Naval Treaty, while Great Britain was some 194,700 tons (sixty-one vessels) below it. Japan was practically up to her Treaty limits, and with the "Manchukuo" Navy a little beyond it. This situation will soon, by present indications, be radically altered. And the alteration bodes no good to Japanese dreams of world conquest.

The question of naval parity involves not only the United States, of course, but Britain as well. And Japan looks forward to co-operation with Britain, rather than opposition from her. It was the Anglo-Japanese Alliance which encouraged Japan in her encroachments in China from the beginning of the century, and though Britain—owing to the bitter opposition from the Dominions and from Washington (with which London desired to remain friendly at the time)—terminated this in 1922, a new Anglo-Japanese understanding was entered into secretly at the end of 1928, and later admitted in Parliament, providing for close co-operation in a common policy towards China. This, indeed, fell far short of a military alliance, but it was of great value to Japan in her occupation of Chinese territory, when Britain (with France) most staunchly defended her at the League of Nations, and effectively postponed or prevented international action against the invaders.

For Japan's further expansion, however, a military alliance is necessary, as the little Empire cannot stand alone, and is now in real danger of isolation. It is in this connection that Count Soyejima's recent declarations for the revival of the Anglo-Japanese Alliance are of significance. Soyejima stated, upon his return a few weeks ago from his visit to Britain and America, that "there is a growing movement in England for revival of the Anglo-Japanese Alliance," Sir John Simon (who it will be recalled did such yeoman service for Japan at Geneva) being of course prominently associated with it. He also declared (though this statement must be taken with more reserve) that sentiment in Canada was also

favorable to a renewed Alliance, many people there regretting "that the Anglo-Japanese alliance had been abandoned, from the standpoint of world peace."

That there are Tory elements in Britain who are heartily in favor of a renewed alliance with Japan there is no doubt, but the attitude of the Dominions is far different. This is most strikingly illustrated in the recent suggestion of a prominent Australian official that the Commonwealth co-operate with the United States in the construction of a naval base on the coast of Australia, this "to be jointly used by the two commonwealths." It was Australia, New Zealand, and Canada which practically forced upon the British Foreign Office, twelve years ago, the discontinuation of the Alliance. That the present Tory regime in Britain is inclined to ignore the Dominion and even colonial elements, so far as it safely can, has been made clear in its continued friendly and conciliatory action towards Japan in spite of the latter's continued ignoring of British interests. Most remarkable has been the conclusion of the Indo-Japanese agreement, permitting the dumping of Japanese goods, in spite of the bitter opposition of both English and Indian manufacturers. This showed clearly that the present regime is prepared to sacrifice both commercial and colonial interests to considerations of military imperialism, in order to maintain friendship and collaboration with Japanese militarism. Under such circumstances, the renewal of the Anglo-Japanese Alliance is not beyond the bounds of possibility, though it would probably have to be secret in order to prevent difficulties with the Dominions.

In any case, it is wholly possible that Britain, under the present regime, would not endeavor to place any real obstacles in the path of Japan's naval expansion. And an alliance between the two Powers would give them an element of control on the seas which would go far to offset Japan's isolation otherwise.

This growing isolation has been the most significant development of the past year. The wholesale condemnation of Japan (in spite of her powerful defenders) by the League of Nations, undoubtedly voiced world opinion in general. But the rapprochement between the United States and the Soviet Union, following the first clear demonstration that the Soviet was prepared to resist Japan's continued aggression, was of far greater real importance. Previously it was the Soviet Union which had been virtually isolated in the Far East. Now the situation was suddenly changed, and Japan faced two Great Powers, at last on friendly terms, vitally interested in the Far East and sternly opposed to Japanese domination of this part of the world.

Another factor, second only to this in importance, was the Franco-Soviet rapprochement. The Franco-Japanese understanding of 1907, agreeing to mutual support in their respective spheres in China, gave Japan an ally who has been of real importance to her in the Far East, and at times even more useful than Britain at Geneva. The situation in Europe, however, has brought about the non-aggression pacts between France and the Soviet, and France's east European allies and the Soviet. As regards the Far East, the Franco-Soviet rapprochement makes it emphatically clear that Japan will not be able to count upon French military assistance against the Soviet Union. And following the Soviet-American rapprochement, relations have become even closer. Moscow has clearly indicated its readiness to co-operate with the League of Nations, and France is strongly in favor of such collaboration. At the same time, the Franco-Soviet trade pact, recently concluded, is significant in much the same way as is the Indo-Japanese trade pact.

Japan, therefore, is facing isolation, except for her Tory friends now temporarily in power in Britain, and of course her Chinese servants in "Manchukuo" and elsewhere. And this isolation may be a serious thing, in view of the present alignment of military forces in the Far East. Japan's powerful navy is still inferior to the American, though far greater than the Soviet fleet. But in the air the situation is different. The Soviet air fleet greatly expanded, (mainly with British motors) during the past two years, and is now probably in excess of two thousand planes, greater than Japan's fleet of some 1,800 machines. As for America's air fleet, the value of this is determined largely by air bases, but as regards actual size the United States is in a position to expand very rapidly, and prepare thousands of fighting planes in the course of a few months.

As to land forces, Japan is at a distinct disadvantage. Russia, with her standing army of more than half a million and enormous number of trained reserves (800,000 receive military training yearly), is more than twice as powerful as Japan on land. American land forces are also distinctly stronger than the Japanese, but here the question of transportation is of vital importance. Japan, however, is completely and wholly dependent upon her navy for the maintenance of her Empire upon the continent of Asia. And her greatest cities are extremely vulnerable to an air attack from Soviet territory.

Only active military and naval support from Great Britain would make it possible for Japan to hope for victory against American and Soviet opposition in the East. And however friendly the present Tory regime in Britain may be to Japan, it must conciliate to some extent Dominion and colonial opinion, or face the possibility of a break-up of the Empire. Even in the present Japanese Government, therefore, there are serious endeavors to draw closer not only to Britain, but to America as well. Matsukata, son of the late Prince Matsukata—last of the military Genro,—has been selected for a good-will tour, "in a strictly private capacity," of the United States, visiting President Roosevelt, who was a classmate of Matsukata's at Harvard. Foreign Minister Hirota has declared for a policy, in preparation for the expected crisis in connection with the 1935 Conference, of multilateral diplomatic negotiations with various countries, and for "preliminary negotiations with America."

In the same connection, there is no doubt of the meaning of the recent establishment of a special bureau in the Tokyo Foreign Office to deal with American questions, which will handle everything relating to Japan's military and naval armaments. This work was formerly handled by the European bureau,—an important and significant change.

Such are some of the points of the present situation, with the Naval Disarmament Conference scheduled for next year. The Japanese are unquestionably after naval equality with America and Britain, and indeed have already proposed this to the Geneva Conference, though their proposal, according to *United Press*, was never even discussed, America and Britain both wishing to postpone the matter until the 1935 Conference.

But other points will inevitably be involved as well. For just as the naval limitation pact of 1922 had to be supplemented by political pacts—the Nine-Power and Four-Power treaties,—so will any 1935 treaty have to take into consideration the actual political situation in the East created by Japan's occupation of Chinese territory and the setting up of an puppet "empire" within it, also by the rise of the Soviet Union to be the greatest land power in the Far East. Japan still has far to go before she realizes her "holy task" of "saving the world" *a la* Chapei.

"Compensation" for Victims of Kyoto Railway Disaster

A recent message from Kyoto said: "The Department of Railways will take necessary steps to help unfortunate relatives of the victims by granting ten yen to each victim, it is said. New recruits will be enrolled to take the place of those who died in the accident."

Hu Han-min's Role in the Present Scheme of Things

THE apparent failure of Nanking's latest mission to South China to win back Hu Han-min into the fold of the Government once more emphasizes the deep irreconcilability between the ex-President of the Legislative Yuan and leaders of the present Nanking administration. The recent interview given by President Wang Ching-wei in which he charged Mr. Hu with utilizing the Fukien rebel leaders for the overthrow of the Nanking Regime serves to further indicate the gulf of differences existing between the two Party veterans. Relations between Mr. Hu and Gen. Chiang Kai-shek are perhaps even more acrimonious; and an attitude of intolerance on the part of both tends to bar any immediate possibility of whole-hearted co-operation. The recently proclaimed "Eight Points or Principles" of Mr. Hu for the solution of the present domestic and national situation of the country seem to have been given a rather cold reception, if not rejection, in Nanking, and if reports in the Chinese papers are to be credited, they will not be formally submitted to the forthcoming 4th Plenary Session of the C. E. C. for action, but will only be referred to it as a matter of reference. All these circumstances point to one single and regrettable fact that the three important leaders of present-day China can not sink their personal differences and reconcile themselves for the greater interests of the nation.

More than on one occasion, we have expressed the regret that a serious national crisis, which in other countries coalesces leaders of opposition and cements irreconciliable elements together, in China serves only to furnish issues on which leaders of factions further split themselves. In Chinese politics, it seems axiomatic that personal dissessions almost invariably override the common welfare of the nation. The purposeless dissipation of talents among the political leaders in China by their endless bickerings over personal issues is most deplorable and the very process by which one is trying to work for the lopping-off of the other will inevitably lead to the overthrow of them all and the establishment of alien rule all over China. It can not be said that China's leaders do not fully realize the grave dangers which lurk in such a situation, but the puzzling element is that they would rather stake the fortunes of the country than sacrifice their particular personal views regarding how the country should be run. The prevailing situation, serious indeed as it is, is still by no means hopeless, but the continuous discords among those in whose hands the fate of the country is entrusted are bound to have disastrous effects on the future of the nation.

Despite his retirement from politics for years, the name of Hu Han-min is still a thing to conjure with in the rank and file of the Kuomintang. He still commands a large following in China and, however much the Government leaders in Nanking may disagree with him in attitude and policy, his influence for weal or woe can not be ignored. Because of his exalted status in the Kuomintang, due to a long history of revolutionary work, Mr. Hu now virtually represents the political leadership of South China and his indisposition to co-operate with Nanking will continue to be a source of anixety and embarrassment to the National Government. On the other hand, his cooperation with the Government will not only bring closer and more intimate the relations between Nanking and the Southern Provinces, but will greatly lend prestige to Nanking and enhance real unity in China. In the early stages of the Fukien Independence Movement, Mr. Hu lost no time in defining his stand regarding the situation. While expressing great dissatisfaction with the policies and measures of the National Government in dealing with internal and external affairs of the country, he equally voiced strong condemnation of the Fukien leaders for their rash action. Mr. Hu seems to hold the opinion that the political issues in China at present center around men rather than on the Kuomintang principles, in which he pledges confidence and faith for the salvation of China and a repudiation of which totally alienates his sympathies. Mr. Hu has adhered to this stand, despite the extravagant inducements offered by the rebel leaders for his name. The "Eight Points" enunciated by Mr. Hu further clarified his position. While a complete text of the document is not available for study, nevertheless, judging from telegraphic summaries, it contains the following points: subordination of military to civil authorities, enforcement of provincial autonomy, equal division of powers between the Central and Local Governments, freedom of speech and assembly, etc. In point of principle, these proposals actually represent the most needed reforms in China and cannot be impugned. And it does not seem to entail any great sacrifice on the part of Nanking, if they are to be fully endorsed and incorporated into its program. However, to prescribe easily-formulated panaceas is one thing; how to make them effective is quite a different matter. Here the practical angle of the question must be considered. Nevertheless, in view of Mr. Hu's pronounced disapproval of the Fukien regime, it may be assumed that his sympathies incline toward Nanking.

In his denunciations of the present National Government, it seems that Mr. Hu has failed to grasp one fact, namely, that the situation now obtaining in Nanking is to a large extent the result of his own making in past years, and whatever merits or demerits the present system and its personnel embody, he can not totally decline responsibility. It may be recalled that Mr. Hu helped a great deal in the establishment of the Nationalist Government at Nanking at the very beginning, when he arrived back in China from a world tour in Sept. 1927. At that unfortunate moment, General Chiang Kai-shek and Wang Ching-wei were at loggerheads, following the great Party schism, historcially known as the Nanking-Wuhan Split, and leaders in Nanking had high regards for Mr. Hu as a Party veteran. Upon his arrival at Shanghai, Mr. Hu made public a significant statement, announcing his views on the reconstruction of the country under the Kuomintang leadership. In part, he said that in the beginning of the inauguration of the Period of Political Tutelage (for Mr. Hu presumed the firm establishment of the Nationalist Power in the Yangtsze Valley marked the close of the military phase of the revolution), the first thing of paramount importance was political stability in the country in order to evolve a rule of law and order out of the chaos and confusion of the revolutionary period, and second, military successes of the Revolution should be safeguarded by revolutionary reconstruction. The Kuomintang in capturing political power on behalf of the people, he explained, should take an attitude and assume a responsibility as a milk nurse to an infant baby with the ultimate object of handing over the same to the people. Further, he elucidated, to fulfil the duties of a nurse faithfully and competently, the Party must first of all seek its own soundness in body and spirit; and as a rallying point of post-revolutionary forces and a political center of gravity, he advocated the organization of the Five-Yuan Government at Nanking. Mr. Hu was not only instrumental in the organization of the Government, but likewise contributed a great deal to the selection of its personnel. The choice of Gen. Chiang Kai-shek as Chairman of the Government, if not initiated by Mr. Hu, certainly received his endorsement, and in the selection of other important officials he was likewise consulted

and gave tacit, if not expressed, consent. In his own appointment as President of the Legislative Yuan, Mr. Hu probably indicated in advance his own agreement.

Mr. Hu remained in office interruptedly for almost three years and during those three years, more than two major political uprisings intervened—the Kwangsi Defection and the Northern Military Coalition nearly wrecked the Nanking Authority. During all those eventful years, when Gen. Chiang spent most of his time in battle-fields in battering down oppositions, Mr. Hu played a role as the real political ruler of China of that period. He was most insistent and vehement in the defense of the authority of the Central Government and showed great intolerance of the oppositions. Both in speech and action, he condemned in pungent words the opposition leaders and by mobilizing public opinion in support of the then Government, contributed no small share to Gen. Chiang's military successes. Particularly, during the Kwangsi Defection, it was largely due to Mr. Hu's influence that Gen. Chen Chi-tang did not throw in his weight into the ranks of the Kwangsi discontents. Therefore, it is no exaggeration to state that the then Central Government was really the government of Gen. Chiang and Mr. Hu and in this sense, Mr. Hu rendered great service in preserving the integrity of the Government and apparent unity of the nation. All might have gone well, had not an unfortunate incident occurred after the close of the Civil War in 1930 over the question of the Constitution, which suddenly strained the relations between the two leaders and finally resulted in Mr. Hu's loss of freedom and detention at Nanking by Gen. Chiang. While those personal discords thrived, the internal situation became further confused and chaotic, with the establishment of an opposition regime in South China and towards the latter part of the year of 1931, the unprecedented national crisis occurred in the form of armed occupation of Manchuria by Japan. These circumstances suddenly created opportunities for a new internal political alignment and the Shanghai Peace Conference finally paved the way for a rapprochement between two erstwhile irreconcilables, General Chiang Kai-shek and Wang Chiang-wei. When Mr. Wang assumed his new role as President of Executive Yuan of the Government, Mr. Hu went into his long retirement in Hongkong. Thus the two leaders reversed their position in political fortune and thus, the country is further torn asunder by personal discords.

Whatever else may be said of Mr. Hu, it seems that no one can deny him his deep sense of responsibility, his sincerity of purpose, his devotion to the duties of office and the welfare of the nation. His three years uninterrupted residence in Nanking while he was President of the Legislative Yuan was a record which can be equalled only by a few and should serve as a salutary example for many of his colleagues who customarily seek their week-end distractions in colored spots in Shanghai. Mr. Hu appears to be a man of strong character and a firm believer in his own ideas. Despite his great influence and his high position in the Government while in Nanking, he would rather sacrifice his political career than compromise his political views. But on the other hand, Mr. Hu seems to be too egoistically-minded and too intolerant of opposite views. Like so many of his political colleagues, he has his own pet formulas for the salvation of China and can not bring himself to see that ideas other than his might serve the same purpose. Tried and seasoned as he has been by his varied experience in life during his long political career, Mr. Hu appears to have overlooked one circumstance, namely, that in the rights or wrongs in human affairs, there is only relativity, but no absoluteness. At times, a modification of one's strictly personal views on a problem, particularly the weighty and complex problem of governing a country, and a compromise with circumstances beyond one's control may contribute to the general good and welfare of the nation. At this moment when the very existence of the country is endangered in a most serious manner, an attitude of tolerance is not only a vital necessity in preserving unity, but will be a real blessing to the country. Further, true to the type of politicians in China and infected by the virus of "slogan policy," Mr. Hu is given to eloquence and indulges in prescribing "country salvation" formulas without sufficient regard for the practicability of execution. There is lacking what may be termed practical-mindedness in him as in so many others. As an ancient adage runs, to mount high, one must start low, and to move afar, one has to start nearby. In the same sense, it will be of benefit to all, if Mr. Hu proceeds first with the easy steps and then advances with the far-reaching, at the same time lending his co-operation with the Government on this basis. To achieve reform in a wholesale manner is not only impracticable, but gets nowhere. If Mr. Hu can pursaude himself to adopt such an attitude, he will advance beyond the stage of a mere political idealist into the status of a practical statesman as well. However, to enable Mr. Hu to take up such a stand, a revision of attitude on the part of Nanking leaders is also necessary; and by defending all its measures and policies during the past two years Nanking would show itself as intolerant as Mr. Hu, thereby obstructing a genuine basis for co-operation.

C. H. H.

Marked Improvement in Shanghai Exports to the United States

Shanghai exports to the United States during the year of 1933 increased U.S. $2,814,073 over the preceding year, according to statistics issued recently by the American consulate general. The total exports for 1933 reached U.S. $9,343,801 as against $6,529,723 in 1932. The increase in the value of textiles exported to the U. S. accounted for a great part of the increase, the total being U. S. $4,142,306 as against U. S. $2,889,234 in 1932. In this category, raw silk increased from U. S. $947,599 in 1932 to U. S. $1,047,156 in 1933. Linen embroideries increased from U. S. $756,622 in 1932 to U.S. $991,356 in 1933. Unmanufactured wool for carpets increased from U. S. $77,018 in 1932 to U. S. $504963 in 1933. Cotton laces dropped from U. S. $402,-640 to U. S. $323,961 in 1933.

The second highest export, inedible animals and animal products, which includes raw hides and skins, furs and manufactures, increased to U. S. $3,251,827 as against U.S. $2,583,835 in 1932. In this category goat and kid skins dropped to U.S. $1,003,623 as against U.S. $1,082,543 in 1932. Sheep and lamb skins, on the other hand, increased to U. S. $302,107 as against U. S. $256,787 in 1932.

Vegetable food products and beverages increased to U. S. $775,004 as against U. S. $553,402 in 1932. Tea exports in this category increased from U. S. $524,863 in 1932 to U. S. $713,932 in 1933. A total of 5,570,157 pounds of tea was exported as against 4,725,236 pounds in 1932.

In identic orders to the various Provincial Departments of Reconstruction, the Ministry of Railways Jan. 11 instructed that delegates be appointed immediately to attend the 7th International Highway Conference, which will be held in Germany in September.

China Will Borrow $100,000,000

A petition for the flotation of $100,000,000 worth of Customs Treasury Notes for the 23rd Republican Year, submitted by Dr. H. H. Kung, Minister of Finance, has been approved by the Central Political Council. In submitting the proposal, Dr. Kung said that the notes will be underwritten by the Central Bank of China as security for loans extended to the Government by the bank during the last few years.

Freight Locomotives Bought from Britain

The Chinese Purchasing Commission in London has been instructed from Nanking to purchase from Great Britain four freight locomotives for the Hangchow-Nanchang railway. They will be paid for by British Boxer Indemnity Funds.

Construction work on the roadbed of the projected Taierchwang-Chaochwang Railway, a branch line of the Lung-Hai Railway, in northern Kiangsu, is nearing completion. It is expected that the laying of the rails will be started in the near future.

Why the Fukien Independence Movement Collapsed

THE ultimate collapse of the Fukien Independence Movement has long been a foregone conclusion. The recent military successes of the Government forces serve only to hasten its breakdown. The movement at its very inception contained within itself elements of failure; even left uninterfered with and permitted to grow, it could hardly have long survived. First of all, the movement is meaningless, if not purposeless. It represents nothing but an ill-timed and ill-advised personal adventure of a group of political and military malcontents with the Nanking regime. Beyond the personal issue which is centered around Gen. Chiang Kai-shek and Wang Ching-wei, no great principles are involved and no revolutionary ideas, are to be realized. The improvised program of the so-called Social-Democrats and the fence-sitter, the Third Party, is not a natural evolution of convinced political ideas, but merely a matter of window-dressing, an opportunist catchword, to angle for public support. But for the grandiloquent and well-turned phases of Eugene Chen, the movement would have scarecely been able to win any appreciation from foreigners —to the average run of whom it is just another of the internal conflicts which have featured the Republican history for the last two decades.

A popular movement to succeed must perforce possess at least three elements: sincere ideas of reform, sound and revolutionary leadership and mass response and support. Military force is only one means to an end and is by no means the sure element of success. (Had this been the case, the oid Northern militarists would have continued their millenium and the Kuomintang leadership would never have a chance to emerge.) Viewed in this respect, the Fukien movement has lacked all the three essentials. In the first place, leaders of a movement must be imbued with sincerity of their ideas and preferably rise from the ranks of the masses, having shared their sufferings and understood their needs. For a group of professional military men suddenly to become gospelers of a new revolutionary order and leaders of proletarian reform, and for those who have tasted the amenities of high official life to dedicate themselves to the salvation of the age-trodden peasants is nothing but a farce. Many of the leaders in the Fukien movement are simply old militarists and politicians who have been tried and found wanting. It does not necessarily mean they are incompetent and less capable, but that they have failed to live up to the exigencies of the circumstances and consequently were lopped off. Some of them at one time or another held high offices in the Government and not a few of them had enriched themselves from their offices. They might have started their career low, but apparently they have too long been separated from and almost completely lost touch with the toiling masses. For this reason, they could not be sincere in their revolutionary slogans as embodied in their program. And for the same reason, the masses could not feel any intimate interest in the movement and offer their wholehearted support. Further, in their program, they seem to have gone too far ahead of China's present conditions; their total repudiation of the Kuomintang platform—the Three Peoople's Principles—alienated sympathies from an otherwise sympathetic public. Had their objectives been limited to personal issues and a reform of the Government—which by the way is long overdue—they might have received better response, if not active support, but as they do now, the prospects of their success are dim indeed. Incidentally, it may be here remarked that the reason why the Chinese Communists have been able to persist so long must be attributed to their able and revolutionary leadership. Whether one approves or disapproves their policies and whether their program is for the good of China or not, their leaders must be credited with a certain amount of sincerity of purpose which is utterly lacking in the Fukien group.

Viewed from inside, the Fukien Movement contains too many incongrous and jarring elements, each having its pet ideas and formulas to compete with those of the other. The internal harmony which is indispensable to the success of any collective action is evidently wanting. Even though the movement were able to extend its influence into widened circles, it will eventually break up because of its organic discords. The choice of Fukien as a base for a political uprising, to say the least, is ill-made and seems to foredoom it to failure. Aside from its geographical propinquity to Formosa which places it under the inexorable eye of the Japanese, Fukien is too poor and limited in resources to support an army of a great magnitude and a movement of nation-wide pretensions. The failure of the movement to win Kwangtung over to its support isolated it from the very beginning. Further, the launching of such a movement is both ill-timed and ill-advised. With the country being confronted with a most serious national crisis and with the long revolving process of never-ending civil wars during the past twenty years, the common people simply become disgusted with any further internecine warfare and lose interest in any movement involving further disintegration and break-up of the country, however alluring its slogans may be. In point of strength, the Fukien leaders have apparently equally miscalculated. Both in equipment and numbers, Nanking possesses an undisputed superiority over the 19th Route Army, which can hardly be matched. While observers must credit the fact that the Army made a most valiant and heroic stand in Shanghai against the Japanese in 1932 and gave every indication of strength, however the heavy casualties suffered by the Army during the war here have decimated, if not wiped out, its trained and seasoned soldiery. The new recruits enlisted by the Army since its transfer to Fukien totally lacks the valued field experience and find themselves unequal to the situation. To rely on the prestige of the Army alone to fight the war on the battle-fields is not only a miscalculation, but a puerile illusion.

But whatever will be the outcome of the war between Nanking and Fukien, it is China as a whole which will suffer irreparable losses. To the well-wishers of China, whoever wins and whoever losses, there can neither be glory to the one nor humiliation to the other. Glory or disgrace must both be debited on the side of China's losses. In its ultimate accounting, the war simply marks a further weakening of the potential strength of the country in resisting the inexorable foreign aggressions and internally creates further opportunities for the Communists to consolidae their power and strength. As the situation now stands, with the Fukien armies suffering heavy reverses and with the Japanese preparing to intervene, it is high time that both the Government and the Fukien leaders should re-consider their respective stands and come to a settlement by non-violent means. According to reports early in the week, Gen. Tsai Ting-kai, leader of the Fukien Army, was reported to have decided to make his last stand in Foochow and resolved to die or live with the fate of the city. To inspire faith in his fellow officers and men, he is said to have made his will to die with Foochow. While on the

other hand, Government troops, unduly elated by their sweeping victories, were equally determined to wrest the Fukien capital from the rebel hands. The grim resolution and enmity on the part of both seems absolutely uncalled for and unjustified. Particularly, Gen. Tsai's heroic will-making this time tends to amuse people rather than inspire respect and adoration. Fortunately for Foochow and thounsands of souls it contains, the crisis was averted at the last moment by the peaceful handing over of the city by the rebel garrison to the Government Navy, according to reports on Jan. 13. And it is also to the blessing of the country that Gen. Tsai's will was not executed, but was saved and reserved for execution on more worthy and noble future occasions, of which there are aplenty ahead. But to revert to the effects of the war, enough irreparable loss to China has already been done and more than enough suffering brought on the Fukien and Chekiang people in the war zone, it is time that the scene of this tragic act should close right at this moment without permitting it to develop further.

Rebel Regime Overthrown

The military situation in Fukien has taken sharp turns in favor of the Government Expeditionary Forces during the past week. Following the capture of Yenping, important gateway to Foochow, on Jan. 6, the Nanking forces have scored victories in rapid succession over the rebel Army and made sweeping advances down the Min River. Kutien, one of the last strongholds of the rebel force, was first captured on Jan. 8, but was soon recovered by the rebel garrion. Following severe battles lasting several days, the city was finally retaken by the Government troops on Jan. 12 together with another important town on the Min River, Mintsing ,which is about 25 miles away from Foochow ; Amoy, important coastal port of Fukien, was occupied by the Government Navy on Jan. 10, while Foochow, seat of the rebel Government, was entered by a force of Government marines on Jan. 13 who immediately occupied its principal points and took over the control of the city. Admiral Chen Shao-kwan, Minister of Navy, and Admiral Chen Chi-liang, Commander of the First Squadron of the Government Navy, both of whom had gone to the front to direct the operations, personally supervised its occupation and entered Foochow on Jan. 14. After the restoration of peace and order in Foochow, Kuomintang flags once more fluttered over the Government buildings.

According to a report in the *Shanghai Evening Post* on Jan. 15, the capture of Foochow by the Government forces was not the result of "fierce battles in the outskirts of the city" as claimed by the Government, but the outcome of battle of words and gestures. The city was actually given up by the 19th Route Army without firing a shot, after the Government allegedly paid over to the commanding officers of the rebel Army a titanic lump-sum of $6,000,000 (according to other reports, $1,500,000). Prior to the advance of the Government troops near Foochow, negotiations had been initiated between the Nanking anthorities and the high commands of the 19th Route Army through the good offices of Admiral Sah Chen-ping, the veteran Fukien naval officer. As a result of the negotiations, the paper said, the 19th Route Army agreed to retreat from Foochow to Chuenchow and Changchow areas on receipt of the above sum. The Nanking Army, on the other hand, also agreed to refrain from entering the city, leaving the port under the control of the Navy.

As a measure of rehabilitation of the province following the capture of Foochow, the Government has appointed Gen. Chen Yi, Vice-Minister of War, as Chairman of Fukien to undertake the organization of a new Fukien Provincial Government. The new regime will be provisionally established at Yenping, but will be removed to Foochow after the complete liquidation of the revolt. The personnel of the new Provincial administration has also been decided upon and will shortly be announced. Gen. Chen has been urged by the National Government to proceed to his office immediately and it is understood that before assuming his duties, he will first seek an interview with Gen. Chiang Kai-shek and ask for instructions regarding the administration of the province. Gen. Chiang who has been personally directing operations of the Government Expeditionary Forces in Fukien, is said, according to a report in the *China Press* on Jan. 16, to have removed his headquarters to Yenping on Jan. 15 and is contemplating to pay a flying visit to Foochow to direct the rehabilitative affairs in that port. Gen. Chiang is scheduled to return to Nanking on Jan. 19 in time to attend the 4th Plenary Session of the C. E. C. While Gen. Chen Yi has been entrsuted with the duties of civil administration in Fukien, Gen. Chiang Ting-wen, Commander-in-Chief of the Eastern Route Bandit Suppression Forces, whose army is largely responsible for the defeat of the rebel force, is reported to have been given military power over the province. In the meantime, in order to resume control over the finances of Fukien, Dr. H. H. Kung, Minister of Finance, dispatched three high officials of the Ministry to Foochow by airplane on Jan. 14 to take over the various tax organs in the different parts of the province.

The fall of Kutien and Foochow has completely demoralized the 19th Route Army, the remnants of which have since been withdrawn to southern Fukien with Changchow and Chuenchow as new bases. The Army has suffered heavy casualties during the progress of the war and according to a *Reuter* report from Foochow on Jan. 15, Gen. Tan Chi-hsiu's command has been completely decimated, while the Divisions of Gen. Sheng Kwan-han and Gen. Au Shou-lien have been halved, leaving only the armies under Gens. Mao Wei-shou and Chang Yen complete A general exodus of the leaders of the "People's Revolutionary Government" took place on Jan. 14, when Gens. Li Chi-sen, Chen Ming-shu and Tsai Ting-kai, the three mainstays of the rebel regime, bid adieu to Foochow on the day and boarded a plane for destinations yet unrevealed, presumably Changchow. Eugene Chen, "Minister of Foreign Affairs" and Gen. Chiang Kwang-nai, "Chairman of the People's Assembly," finding no accomodation in the plane, according to the same message, had to foot it with the retreating 19th Route Army. Although the fall of Foochow marked the natural dissolution of the "People's Government," the revolt is far from being ended. Enormous indeed as were its losses, the Army has still a force of 30,000 strong, and the rebel leaders have not shown any indication of abandoning their movement or announcing their retirement. It seems that the military phase of the situation is for the time over and that politics will be brought into play to liquidate it.

Anxious to preserve the balance of power and *status quo* in south China, the Kwangtung and Kwangsi leaders, represented by Gens. Chen Chi-tang, Li Tsung-jen and Pei Chung-hsi, have respectively wired the National Government, asking for temporary suspension of the punitive expedition so as to allow the abolition of the "People's Revolutionary Government" and to save the 19th Route Army from possible annihilation. The leaders of the Liang-Kwang Provinces cited the gallant services rendered by the Army in the defense of Shanghai against the Japanese two years ago and urged that it should be preserved by all means. The Nanking authorities are said to be considering the appeal, but no decision has yet been made. In the meantime, reports stated that Kwangtung troops were steadily advancing into southern Fukien with the ostensible purpose of assisting the Government in suppressing the 19th Route Army, but with the real object of racing with Nanking for the control of the Army. Gen. Tsai Ting-kai is said to be resolutely opposed to the Army's reorganization by the Nanking authorities, but is negotiating with Gen. Chen Chi-tang for its incorporation into the Kwantung Army. The situation is becoming increasingly complicated, as politics are setting in.

In addition to the complicated nature of the situation internally, the fear of a Japanese intervention is also growingly manifest. Eager for a slightest pretext to act, the Japanese Naval Office has dispatched a destroyer *Hokoze* from the Japanese naval base at Maka, Formosa, to Foochow ; and a company of Japanese marines, according to a report in *North China Daily News* on Jan. 14, landed at Foochow on Jan. 12 from two destroyers, landing first at Mamoi (the forts) and then proceeding upriver by launch to Foochow. The attitude of the Japanese is threatening and a grave situation might be created in Fukien. According to a report in the *Shanghai Evening Post* on Jan. 16, it was largely the fear of international complications, threatened by the landing of the Japanese forces at Foochow, which brought about the peaceful transfer of the city from the rebel hands to the control of the Government marines. At present, in addition to the Japanese landing parties, marines of the American and British forces have also landed at Foochow and are guarding their respective consulates.

While the 19th Route Army has definitely failed to make its "last stand" at Foochow despite the grim determination of Gen. Tsai Ting-kai, Eugene Chen, in his capacity as "Minister of Foreign Affairs of the People's Government," at least remained undaunted and continued with renewed vigor his wordy battle of invectives with Nanking. In belated messages received at Shanghai from Foochow, Mr. Chen fortified Foochow with strong words and self-believed assurances, issued denials of Nanking allegations and took issue with Wang Ching-wei. In an alleged interview with the press on Jan. 8 at Foochow on the military situation, Mr. Chen naively asserted : "Foochow is in no danger of an attack, far less of occupation, by the enemy. The Government (Fukien) continues to function here, is indeed going strong, and will do so for some time to come." Concluding the interview, he said : "We have complete confidence in the ability of the 19th Route Army not only to resist the attacks of the enemy but to crush him completely when the moment arrives for the inevitable counterattack."

In another statement issued on the same day but circulated locally, Mr. Chen characterized as false and grossly derogatory the Nanking allegation to the effect that Gen. Tsai Ting-kai began life as chief of a band of brigands in Kwangtung. "No Chinese," declared Mr. Chen," should utter such a lie. It is not only an abominable insult to Gen. Tsai but it abases and injures the Nation morally that Wang Ching-wei as President of the Executive Yuan, should inspire or even permit his official press to defame a man who has deserved well of the country. I have said it and I repeat that the resistance of the 19th Route Army in Shanghai saved the whole Lower Yangtsze from the military and political dmination which the extreme section of the Japanese militarists envisaged at the time of the Shanghai Incident." Finally, Mr. Chen said that the 19th Route Army's resistance at Shanghai was something more than a military achievement. Not only did it enable Gen. Chiang and Mr. Wang to return to Nanking, but it raised the mora

stature of the Chinese Nation, and men like Mussolini were moved to see in it a new revelation of Chinese courage and self-sacrifice.

Thirdly, in a long personal tirade against Mr. Wang for the latter's criticisms of him and other Fukien leaders in an interview granted by Mr. Wang to the Editor of the *Journal de Shanghai*, Mr. Chen charged Mr. Wang with lack of a modern mind, incapable of coping with the issues of a modern state. Unerring or nearly so in dealing with things purely Chinese, Mr. Chen said, people like Mr. Wang become uncertain, confused in intellectual contact with the foreigner or in confrontation with the ideas and the facts and processes of life in the West. In a general broadside against the Nanking Government, Mr. Chen said: "Under Nanking leadership, China is like some organism that is unable to readjust its life to a profoundly altered or changed environment. And the history of dead nations is very clear as to the fate of a people in such a plight. Death, national extinction, awaits it; and the grave-digger is already preparing for his work in the figure of Japan." What then must be done, Mr. Chen queried? The answer is: "The conquest of political power on a federal basis by a new Chinese leadership which, rejecting the present Asiatic conception of and practice of the state, conceives of China and governs it as a national possession of the Chinese people; this means that if China is to become a modern state, the Chinese conception and practice of the state must be modern." Referring to Mr. Wang's views on the agrarian problem, Mr. Chen remarked that Mr. Wang's mind "is inadequately equipped to discuss such a question in a modern sense." After repudiating Mr. Wang's statement that conditions in China differ from those in Russia in that there are no large landowners in China as there were in Russia but only middle and small landowners, Chen gave the following view on the question:

"The agrarian question is not, I have to insist, one of large or small landowners. It is fundamentally a question of economic exploitation of the peasants. So far as the peasants are concerned, there is no difference in principle between a large landowner who exploits the labor of a hundred or a thousand miserable peasants and a middle or small landowner who exploits twenty-five or five luckless peasants. The vital point is whether exploitation exists. It there is exploitation, the situation is in principle the same in the case of a small landowner as in that of the large landowner."

According to a *China Press* telegram Jan. 17, Eugene Chen, George Hsu Chien, and other ranking officials of the rebel regime, arrived at Hongkong from Foochow aboard the S.S. *Haiyang* on said date. Gens. Chen Ming-shu, Tsai Ting-kai, Chiang Kwan-nai, and Li Chi-sen are now all at Changchow, supervising the reorganization of the 19th Route Army, while Nanking generals including Chiang Ting-wen, Liu Ho-ting and others have entered Foochow. Admiral Chen Shao-kwan returned to Shanghai on Jan. 18.

C. H. H.

Japanese Legation Announces Creation of "Emperor" for China's Northeastern Provinces

JAPAN'S plan for the restoration of the Manchu Dynasty, referred to in the last issue of the *Review*, has now been confirmed by reports from Changchun and Tokyo, and by an official statement from the Japanese Legation at Peiping. At the time of writing, this last is the only official announcement which has reached here.

It is probable that some supplementary statement will be issued from Changchun. Earlier reports gave out that an official announcement would be issued on January 15, and that Pu Yi would be crowned "emperor" on March 1. It was assumed that the first announcement would come from Changchun, but it makes things clearer that it should have been issued from the Japanese Legation direct. On January 15 a spokesman of that legation at Peiping "confirmed the intention to create Mr. Henry Pu Yi, chief executive of Manchukuo, emperor of the state." It had been postponed for the last couple of years, said the Japanese spokesman, because "Japan was anxious to see the political situation of the country stabilized before anything else, and had, therefore, discouraged the movement on the ground that it was premature."

This statement gives a fairly clear answer as to who is restoring Henry to the Dragon Throne, and why. The purpose, as the Legation spokesman announced, was that "of giving clear proof of the independence of Manchukuo!" The nature of this "independence" will be further emphasized by the new-made "emperor" taking a trip to Japan on a Japanese warship, paying his respects to the Japanese Emperor, and "pledging the friendship of the two countries," which are to be drawn into an even closer alliance than previously, though just how this is to be managed—short of actual annexation—is not clear.

A variety of reports have arrived during the past week concerning certain details of the proposed restoration. Of some interest and importance is the question of the name of the state, which carries with it certain fairly clear implications. There is the suggestion, which appears to be backed by some of the Japanese militarists in deference to the Mongols, that the puppet state of which Pu Yi is to be nominal ruler be called not "Manchukuo," but a "Manchurian-Mongolian Empire,' or more briefly "Manmongkuo." On the other hand, "Premier" Cheng Hsiao-hsi of "Manchukuo," former tutor of Pu Yi, regarding the restoration as literally that of the Ta Ching (Manchu) Dynasty, reportedly wishes to rename the state "Ching Ti Kuo," or Manchu Empire.

In any case, not only Manchuria but Mongolia is included in the Japanese plan, whatever name may be given the puppet state. Japanese training of Mongol forces and officers, and support of Mongol princes and intrigue with those in parts of "Inner Mongolia" still under Chinese sovereignty (where they have promoted the "independence" movement in northern Chahar and Suiyuan) make this clear.

Whatever the intended title of the puppet regime, the coronation of "Emperor Henry" is apparently to be done in the grand manner, with an altar, sacrificial vessels, imperial robes, and even eunuchs. These latter, from present reports, are not to be made especially for the occasion, but will be taken from the elderly servants of the old Imperial Household still surviving, a number of these having already left Peiping for Changchun. A number of Manchu notables, including Prince Kung, Pu Yi's brother Pu Wei (chairman of the "Board of Rites" of "Manchukuo"), and others, have been visiting Peiping recently, apparently free from interference, and canvassing the curio, second-hand, and junk shops to find various sacrificial utensils, gowns, insignia of rank, etc., of the Manchu period. The robe for the "emperor" himself, however, is to be brand new, and (like his position and his "state") made in Japan, costing over a thousand yen in what is reported to be the biggest tailoring establishment in Tokyo.

The coronation, reportedly set for March 1, should be as splendid and unique an affair as Gilbert and Sullivan, or the Hollywood producers, could conceive. The altar is to a be a hundred meters in diameter and six flights in height, where Henry "will be ordained by heavenly will the emperor and ruler of the people of Manchukuo." Among other entertainments of the occasion, "Manchukuo" is to hold her first "military and naval review," celebrating the third anniversary of the new "state," with "Emperor" Henry reviewing the army as its "supreme commander." Following this, he is to journey to the eastern Imperial tombs, at Tung Ling east of Peiping—in the "demilitarized zone" where the Japanese decide what Chinese forces and officials may function—to offer sacrifices to his ancestors, and probably to inform them how their little heir has staged a come-back. An appropriation of $3,500,000 for "urgent funds" is provided for in the supplementary budget reported from Changchun last week—evidently for Coronation expenses—and Pu Yi will adopt the five-petalled daffodil as the family crest. In the meantime, says *Reuter* from Changchun,

"Premier" Cheng is leaving for Tokyo, "probably for a Japanese tutor for Mr. Pu Yi."

One thing stands out significantly. With the creation of an "emperor," annexation of the occupied territory by Japan is simplified. In Korea the emperor was obliged, when the Japanese finally decided on annexation, to petition for it. So also in Manchuria. Under an "emperor," all that will be necessary will be for the chief puppet to petition Tokyo to annex "his" country. And Tokyo will consent.

Comments on Pu Yi's Restoration

The *Ta Kung Pao* (Tientsin) comments: "The approaching enthronement of Pu Yi as Emperor of Manchukuo is a move in Japan's preparations for war with Soviet Russia and the United States. It is but another puppet show staged by the Japanese on the Manchurian stage. The real enemies of the Chinese people are men like Cheng Hsiao-hsu and Chao Hsin-po, who do not hesitate to sacrifice the lives of the people in the Four North-eastern Provinces on the altar of Japanese ambitions in order to secure the title of emperor for Pu Yi. When Pu Yi was abducted by Japanese agents to Manchuria in the winter of 1931 he hoped to be able to regain the Dragon Throne. The reason why he was made regent of Manchukuo instead of emperor in the following year was that domestic opinion in Japan feared that there would be very unfavorable international reactions if the Manchu dynasty were restored with the assistance of the Japanese military, although the latter were fully prepared to support this step. When the title of Pu Yi was finally decided upon it was understood that he would hold the position for a year to see whether the time for his restoration to the throne at the end of this period had really come. Monarchical adherents of Pu Yi agitated for his restoration almost immediately after he had been installed in the post of regent. Under pretext of studying the Japanese constitution, Chao Hsin-po, the chairman of the Legislative Yuan of the puppet state, has made frequent trips to Tokyo during the last two years, but as a matter of fact these trips have been undertaken in the interest of the restoration movement.

"Not satisfied with her present hold on Manchuria Japan is trying to force the puppet state to conclude another protocol. Apparently as a *quid pro quo* Cheng Hsiao-hsu and men of his kind have urged the restoration of Pu Yi to the throne. There is no doubt that the forthcoming trip of Cheng Hsiao-hsu to Tokyo has something to do with this question. Latest reports, however, indicate that Cheng may postpone his trip and that the promulgation of an imperial constitution may have to be delayed for three years. This shows that opinion in Japan is still not unanimous as to the advisability of an immediate restoration on account of the existing international position of Japan.

"According to Japanese press reports, the bogus state will change the existing administrative system in Manchuria beginning on March 1 next. The provinces will be abolished and placed under the direct control of the puppet government at Changchun. At the same time the police force will be re-organized and placed under the direction of Japanese reservists. This means that Japanese officers are being employed to train Chinese for Japan's forthcoming war with Soviet Russia. The Kwantung Army is also talking about the emigration of large bodies of Japanese to Manchuria, hoping to have a population of 7,000,000 there in a few years. All this indicates that Japan is preparing to make Manchuria her future battleground. We are really at a loss to understand why Cheng Hsiao-hsu and his associates are determined to sacrifice the last scion of the Ching dynasty and give away thousands of square miles of Chinese territory to Japan, thereby hastening the outbreak of another world war. We are sure that if Pu Yi really becomes emperor the existing strained relations between Japan and Soviet Russia will be further aggravated."

The "Epochal" Event

(From the Japan Chronicle, Jan. 10)

All the newspapers are going as near as they can to saying something about Manchuria without actually saying it. The *Mainichi* seems to go rather further than the rest, but this is in accordance with precedent. It only costs five hundred yen to say too much. Apparently it is well within the bounds of propriety to say that the second anniversary of the declaration of the creation of the independent State of Manchukuo will be "epochal."

French Envisage Pu Yi on Throne at Peking

Le Journal de Shanghai, the pricipal French newspaper in China, comments: "It seems that this time the rumors relative to the proclamation of Pu Yi as emperor of Manchuria are serious and that in the end the ex-Emperor Hsuan Tung will mount the Throne that his ancestors changed for that of the Son of Heaven. But who knows that this may not be a detour, a stage, on the way hat leads to the Winter Palace, where, as an infant, he already held the sceptres? And, if the former future emperor is to be installed some day once more at Peking, it is not necessary to make such a great stir at Changchun. If Pu Yi, after having been made emperor of Manchuria is made later on emperor of North China there are chances that Manchuria will become an integral part of the new state. Japan will then exercise its influence over all that territory which extends from Siberia to the Yellow Sea. But in spreading herself out over so large an area she will lose her force by reason of the dictum, 'He who embraces much, grasps little.'"

Japanese Say Tsing Dynasty Idea Has Been Dropped

A spokesman of the Japanese Legation in Peiping Jan. 15 in announcing that Pu Yi would be made emperor of Manchuria said that the question of a monarchy had existed ever since the new State had been established. He added that those close to the Chief Executive earnestly desired the creation of a monarchy at the outset, but Japan was anxious to see the political situation of the country stabilized before anything else, and had, therefore, discouraged the movement of the ground that it was premature; of late, however, the movement for a monarchy had been steadily gaining ground among the people of Manchukuo in general.

Continuing, the spokesman said that Japan was desirous of giving clear proof of the independent nature of Manchukuo, and considered it both necessary and important to dispel the notion of those who viewed Manchukuo in the light of a colony of Japan. Japan, the spokesman continued, felt that the best method to attain the desired end was to satisfy the earnest hopes of the people of Manchukuo to enthrone the Chief Executive; for this the time had now become opportune; moreover, it was deemed certain that Pu Yi and others had no intention to bring about the restoration of the Tsing dynasty in China Proper, as this might be construed in some quarters as the beginning of an encroachment on North China. Japan, he said, found no reason, under such circumstances, to raise an objection to the Chief Executive's accession to the throne in Manchuria distinct from China; also that Japan had no other desire than to give full assistance to Manchukuo for her progress and development.

Japanese circles in Peking do not expect that the enthronement of Pu Yi will have reactions south of the Great Wall, in view of the emphasis laid on the absence of any intention to restore the Tsing dynasty, which, it is held, make clear that the effects of impending changes in Manchukuo are limited to that country.

China Customs Revenue Totalled $339,522,000 in 1933

The Chinese customs revenue for 1933, according to official figures published by the Ministry of Finance Jan. 11, amounted to $339,522,000 in round figures.

The revenue derived from import duty amounted to $265,610,000, from export duty $23,245,000, from interport duty and surtax 18,003,000, from tonnage dues $4,402,000, from flood relief surtax $14,135,000 and from revenue surtax $14,127,000.

After deducting collecting charges, the customs revenue is used for fulfilling all foreign loans and outstanding indemnity obligations secured on receipts, as well as allotments to the administrative commission to cover amortization and interest charges on internal consoldicated debts.

The flood relief surtax is used for the payment of the interest due on the wheat and flour loan of 1931, and the balance set aside for the service of the United States $50,000,000 cotton and wheat loan of 1933. Only a small surplus remains, for the National Government's administrative expenses.

Collections at the various principal ports, in round figures, were as follow:

Tientsin	$ 41,804,000
Kiachow	22,589,000
Hankow	20,417,000
Shanghai	176,197,000
Canton	10,986,000
Amoy	5,111,000
Swatow	7,977,000
Kowloon	3,304,000

Franco-Soviet Trade Agreement Signed

The Franco-Soviet trade agreement was signed in Paris Jan. 11. The agreement consists of two section:— *Economic*: Granting to the Soviets minimum customs tariffs on Soviet goods and apportioning certain import quotas for same; *Legal*: Defining the juridical status of the Soviet representation in France.

Japanese Diet to Reassemble January 23---Grave Problems to Be Discussed

THE Japanese Diet will meet again on January 23 after the New Year recess. Many big issues are on the agenda, including the crucial financial problem, the London Naval Treaty, the national crisis theory, the "thought" problem, the agricultural problem, and the revision of the election law. The budget which will be presented to the Diet is primarily in the interest of the Army and Navy, the expenses for which will increase in coming years. Of the total budget for 1934 of Yen 1,110,000,000, about 45 per cent, that is, Yen 935,000,000, goes to the Army and Navy. In fact the proportion of Army and Navy expenses in the budget is even greater than above stated. Payments of interest on national bonds, pensions and increased overseas payments due to the fall of exchange total 600,000,000 yen in the budget. These payments constitute special services. Accordingly, the general national expenditure will be reduced to merely 1,500,000,000 yen, thus raising the rate of military and naval expenses to 63 percent. Japan is not of course, the only country that is on the verge of bankruptcy, but in no country are the actual leaders of the country more reckless in their disbursements. Were not the aged, but valiant, Mr. Takahashi, the Minister of Finance, acting as a careful watchdog, the militarists would have brought Japan's finances to complete disaster already months ago. Even as things stand it is only a question of time when Japan's national indebtedness will exceed ten billion yen—and that is a great deal of money for bondholders to hope to get out of a group of volcanic islands, no matter how attractive they may be to tourists or how enterprising its Lilliputian inhabitants may be. At present Japan's national bonded indebtedness stands at eight billions; the interest on same comes to about 400 million yen per year. This interest will be increased to more than 500 million yen when the indebtedness reaches ten billions. The annual internal revenue of Japan is estimated at 700 million yen—not sufficient to pay expenses. So, inevitably, more bonds will have to be issued, but the problem then arises how to accomplish this without causing a slump in the price of bonds already issued. It is pointed out that a slump in the national bonds might easily lead to a financial panic, thus plunging banks and trust companies holding those national bonds into bankruptcy. With the aggravation of the financial situation the Bank of Japan would inevitably lose its controlling powers, with the result that the price of commodities would abnormally rise, indeed so much so that the economic life of the nation might be subjected to extreme pressure.

The Japanese chauvinists have worked up the public to believe that the year 1936 will bring a national crisis to Japan. Liberal writers in the Island Emipire, however, stress the point that no such crisis will occur in 1936 if only Japan deals with the pending international problems along peaceful lines. A most searching interpellation will probably be made on the foreign policy of the government in this connection. The government will be urged to give a definite reply as to the question whether it believes in the national crisis theory as advocated by the military. If the government denies the national crisis theory, being confident in the success of diplomatic measures, there is no denying the fact that the government would be taken to task for having approved big appropriations for the Navy and Army.

The above-mentioned questions will undoubtedly loom up largely in the forthcoming discussions in the Diet next week.

Below is a list of some of the leaders in Japanese politics, together with their affiliations :—

General Sadao Araki (Kokuikai), Prince Fumimaro Konoe (Kokuikai), Fumia Goto (Kokuikai), Fusanosuke Kuhara (Seiyukai), Admiral Kwanji Kato (Ugaki clique), General Kunishige Tanaka (Meirinkai), Takeo Kikuchi (Kokuhonsha), Ainosuke Iata (Aikokusha), Vice-Admiral Yasakichi Hayashi (Kodokai), Masaatsu Yasuoka (Kinkei Gakuin), Messrs. Kwanji Ishihara, and Seigo Nakauo (Kokumin Domei), Ryozo Ioki (Kokuiai Yogo Renmei), Shigeru Yoshida (Kokuikai), Yosuke Matsuoka (Dokuritsu), Kiyoshi Akita (Seiyukai), Matsumaro Akamatsu (Kokuhonsha), Kikizo Hirano (Kodokai), Tatsuo Tsukui (Zen Nihon Seinen Domei), Takeyo Nakatani (Kokuhonsha), Shigetsugu Matsunobu (Kochisha), Ryosuke Kanouchi (Jinbukai), Mitsuharu Takabayashi (Jinbukai), Kametaro Mitsukawa (Kochisha), Hakudo Yahata (Seisanto), Giichi Ichiji (Seisanto), Keisuke Kwaguchi (Kokumin Kaiho Sha), Eizo Sato (Kokumin Kaiho Sha), Zai Matsunaga (Zen Nihon Domei), Isamu Suzuki (Kinno Domei), Giichi Miura (Daia Gimei) Sanzo Yoshida (Daitosha), Nosuke Shimizu (Daikosha), Tokuojiro Shibata (Kokushikan), Kei Nakayama (Sokoku).

Baron Go, president of the Japan Chamber of Commerce and Industry, says that Japanese financial circles this year have three great problems to solve viz., the security of State finance, the control of foreign trade and the protection of retail merchants. What with the Manchurian affair, the replenishment of national defence, the emergency relief schemes and the difference of foreign exchange, the State expenditure has greatly mounted in recent years, necessitating a huge loan issue each year so as to balance the budget. Baron Go does not support the policy of relying merely on loans in balancing the budget. Such a policy, he fears, will endanger State finance further. There is a certain limit to loan issues, beyond which the Bank of Japan's operations will be ineffective. Currency inflation will then be accelerated, he says. As conditions both at home and abroad are likely to necessitate a further expansion in Japan's expenditure for some years to come, the outlook of the State's finance admits of little optimism. Baron Go is, therefore, keenly alive to the immediate need of establishing a fundamental policy. For that purpose, he advocates the thorough readjustment of administration and finance, not only of the central Government, but also of prefectural offices, as well as the preparation of both flotation and repayment programs, as otherwise the uneasiness underlying the financial world will not be removed.

Japan's Rayon Industry Made Great Strides in 1933

The outstanding feature of Japan's trade in 1933 was the boom in the artificial silk (rayon) industry. Backed by cheap yen, the export trade made amazing headway, while domestic consumption increased further. All concerns submitted enviable business reports for the first half of the year. In the second half of the year, the market quotation declined, but with the reduced cost of production, the loss was made good without difficulty. The trade boom naturally gave rise to extensions and new enterprises. With a production of 64,000,000 pounds, Japan occupied third place in the world's list, next to America and Britan. Japan's production in 1933 is assumed to have reached 90,000,000 pounds, and if so, she will be the second largest manufacturing country in the world.

The sericultural industry in Japan had a very eventful year. In the beginning, thanks to the inflation boom in America and the depreciation of the yen, the market quotation advanced. A sharp setback developed soon afterwards, however. This was due largely to disappointment with Washington's policy, the slow movement of goods and the strike in Paterson and other weaving centres. Consumption in America which stood at 54,000 bales in June declined to 28,000 bales in October. The stock in that country on November last was put at 94,000 bales, the heaviest on record. A movement was then launched by many reelers for a compulsory suspension of operations for three months. This having failed to win majority support, a suspension of marketing was proposed, and approved by the Central Raw Silk Association late in December. It is apprehended, however, that the scheme will be attended with difficulties.

On the whole, conspicuous progress was made in foreign trade during the year; both exports and imports show an increase of about 33 per cent. The Japanese press particularly points out the headway, which Nipponese goods made in overseas markets in the face of high tariff barriers, import restrictions and other rebuffs. The main contributing factor was the cheap yen, but the

Japanese claim that skill and efficiency of Japanese manufacturers has also assisted much. Cotton exports, notwithstanding the adverse circumstances, mounted Y91.000 000 or 32 per cent. This is due largely to the exploitation of new markets. Another feature was the sharp increase in the sundry export trade. Such exports as wheat, machinery, canned foodstuffs, paper, refined sugar and pottery jumped 70 to 100 per cent. The active export trade has caused an expansion in the import trade, and the increase was most evident in raw cotton, wool and other raw materials. The increase of iron and coal imports has its cause in the brisk munitions trade.

Tinkham Says Japan Is Only Prosperous Country in the World

"Japan is the only prosperous nation in the world at the present time," Georgre H. Tinkham, Republican member of the House of Representatives from Massachusetts, said on landing in New York Jan. 5 from Europe, after having made an extended tour of the world, in the course of which he spent several weeks in Japan, later going to Manchukuo and China.

Hearst Says Japan and U. S. Should Each Mind Own Business

As one of a series of statements from prominent men of Europe and the United States on Japanese relations, the Tokyo *Hochi* Jan. 6 published an article by William Randolph Hearst, in which he declared that the United States and Japan have every reason to remain friendly and that each should "mind its own business." Japan is 5,000 miles away from the United States on the edge of Asia, and if Japan wants to dominate the Asiatic Continent, that is none of America's affair; the United States is in the middle of the North American continent and if she wants to and is able to play the leading role in American affairs, I cannot see how that can possibly concern Japan."

Heavy Suicide Roll at Oshima Island

A total of 149 people, many of whom were women, jumped to death in the famous Mihara volcano, on Oshima island, during the year, 1933. This figure is the official police record. Another 683 were arrested either on the very edge of the crater, or on the mountain summit, when their intention to commit suicide became clear. Of these prisoners, 111 were women. Five boys and one girl of 15 also found themselves in police cells instead of inside the crater, and there were several elderly people arrested. But the vast majority were between the ages 20 and 30, and love was what brought them to the volcano. Inability to find work was another major reason behind suicide attempts, family trouble and disease also claiming many victims.

China Careful of Its Prestige in Cinema Pictures

A message from Nanking Jan. 13 said the screen version of Pearl Buck's novel "The Good Earth" will be strictly censored before George Hill, Metro-Goldwyn-Mayer director and his technicians will be allowed to start filming the picture in China, this on the authority of a spokesman of the Ministry of Interior. According to the spokesman, this is necessary in order to prevent the inclusion of parts in the movie version which, if not censored, would affect the prestige of the Chinese people. So far the screen version has not yet been submitted for approval.

Criticism of British Film "Jack Ahoy"

Reports received in London Jan. 15 spoke of Shanghai Chinese newspapers criticising the issue of a British film "Jack Ahoy," in which a number of Chinese characters occur. In this film Jack Hulbert, the British comedian, plays the leading role in a comedy in which he chases robbers and pirates off and on a warship. One Shanghai paper is quoted as asking that the Chinese Government should ban the film as it is a "disgrace to China." The same paper urges the Chinese Consul-General in London to protest against the release of the film anywhere in the world.

Control Yuan Protests Against Tang Yu-lin Pardon

A spokesman of the Control Yuan Jan. 12 declared that a protest would soon be made to the Government against the proposed special pardon, at the request of General Sung Cheh-yuan, to be given to General Tang Yu-lin, ex-Chairman of Jehol, who was responsible for the fall of that province.

The spokesman pointed out that General Tang was responsible for the maladministration in Jehol and the subsequent fall of that province, and his arrest was ordered by the Government following his impeachment by the Control Yuan. He declared that if General Tang could be pardoned, then there would be no law in China.

Roosevelt Guarantees Farmers with Two Billions

President Roosevelt Jan. 10 sent to Congress a special message recommending legislation authorizing the assumption by the Government of responsibility for principal, as well as interest, of U.S. $2,000,000,000 of Farm Credit Corporation bonds.

James Reed, for many years senator from Missouri, age 72, was married recently to Mrs. Nell Donnelly, Missouri manufacturer of "Nelly Don" dresses.

The U. S. Treasury Jan. 16 raised the price of newly mined gold from $34.06 to $34.45—which means a corresponding devaluation of the dollar.

President Roosevel Jan. 15 issued three executive orders. The first widens the scope of the March 10 order so as to permit individuals, as well as licensed banks, to deal in foreign exchange, it also forbids the export of U.S. coin and currency, including silver coins. The second provides that all persons dealing in foreign exchange must be licensed by the Government. In the third order, the Mint assay offices are authorised to receive on consignment gold which they are satisfied has not been held in violation of earlier orders to surrender the metal to the Government; for such gold the current Treasury price will be paid.

No American Credit for Defaulting Nations

The U. S. Senate Jan. 11 passed the Johnson bill prohibiting financial transactions with nations which have defaulted in their debt obligations to the United States. This action actually amounts to a "financial boycott" on thirty nations of the world, including twelve Latin American nations and sixteen European nations, the principal and interest on which approaches $13,000,000,000, including war debts.

Agitation for bimetalism has spread in Congress lately from the silver-producing States to those in the wheat belt. The Federal Reserve Board is reported to be willing to credit the Treasury with the profit derived from devaluation, but is opposed to the physical seizure of its gold.

Chase National Bank Names New President

Donald Campbell was elected President of the Chase National Bank in New York Jan. 11. The bank's vice-president, W. W. Aldrich, becomes president of the Board of Directors.

"Blue Eagle" on Japanese Goods

A case arose at San Francisco last week where Japanese goods were held up because they bore the Blue Eagle of the NRA (National Recovery Act). Investigation showed however that it was the American importer that had attached the label and not the Japanese. The American importer takes the position that he is entitled to use the Blue Eagle so long as he himself complies with the requirements of the Act regardless of whether the goods it covers come from Japan or anywhere else.

China Ratifies Drug Convention

The League of Nations has received China's formal ratification of the 1931 opium convention which legally binds her to suppress the clandestine manufacture of drugs. With the receipt of China's ratification, the record number of 41 has so far been received.

Canton Opium Addicts to be Taxed

The Cantonese authorities have decided to impose a heavy tax on opium addicts and, in the course of the year, will introduce legislation to curb opium-smoking. Smokers will be required to undergo a physical examination and those who can be cured will be treated in a special hospital, while inveterate smokers will be given licenses renewable quarterly. There will be three grades of licenses, costing the holders $30, $20, and $10, respectively.

President Of Cuba Resigns; Electric Power Plants Taken Over

Dr. Ramon Grau San Martin, President of the Republic of Cuba, tendered his resignation Jan. 15, to the nineteen members of the Revolutionaray Junta who had elevated him to power. Following the walk-out of workers employed in the electric power plant in Havana Jan. 14, the Government issued a decree provisionally taking over all the Cuban Electric Company's works to operate them according to the demands of the workers. The Company will have to pay all expenses involved until the workers and officials agree to have the power restored. Meanwhile, troops with machine guns are surrounding the properties of the Company to see that the employees resume normal working.

Four persons were slain and fourteen others were wounded when firing broke out in Havana Jan. 15 as Senor Carlos Hevia, a graduate of the United States Naval Academy at Annapolis, was being sworn in as President of Cuba in succession to Dr. San Martin.

Martial law has been proclaimed in Havana and all traffic, including pedestrians, is forbidden after midnight.

The C. E. C. Meet---Its Mission and Problems

BY C. Y. W. MENG (孟 晨 沐)

CHINA is in the most critical period of her history. Internally, she has to face one political up-rising after the other, which results only in greatly increasing the sufferings of the people whose plight is already quite pitiful and miserable enough. Externally, she has to face the foreign aggressions, military, economic and political, from all sides, which amount virtually to no less than another "scramble of concessions," or another "attempt to dismember China" by the foreign powers. It is during such a critical moment, that another meeting of the C.E.C. (the Central Executive Committee of the Kuomintang) is called to discuss many of the national affairs of the day. To be sure, the holding of the meeting is indeed timely, and it certainly carries a far more important mission than usual in having to find solutions to some of the pressing problems; for without finding solutions to some of these problems, China could not have peace. If the present chaotic state of affairs is allowed to go on, China will only invite the ingress of the communists and foreign aggressors to expedite the early extinction of the Chinese nation. So, both the patriotic Chinese as well as China's well-wishers all demand that the present choatic condition should be ended and the internal peace and national unity should be achieved. In other words, the chief mission of the C.E.C. Meet, to put it in simple terms, is to find "way out" for China, out of the present chaotic condition within, and foreign aggressions without. (內憂外患中之中國的出路)

China in Great Confusion

Leaping, as she did, from monarchical autocracy to republican constitutionalism, without any preparation for the constitutional democracy, either by education or experience, and having been donated with new political theories and principles, such as the "Five Power Constitution System," which the students of modern political science could never find in any country in the world, China undoubtedly is in great confusion, and is confronted with a crisis unparalleled in magnitude in the history of any nation in the world. So, it is the supreme task of every Chinese to study and work out the salvation and regeneration of the nation. It is the supreme moral duty of all friendly powers to do whatever they can to assist us in our efforts to put our house in order and "to provide the fullest and most unembarrassed opportunity to China to develop and maintain for herself an efficient and stable government." It is the supreme duty of the Chinese leaders to gather together to discuss the means of the national salvation; to be more sincere and loyal to the nation; to be more national-spirited; to show more reasonableness in views, and to be more good "sportsmanlike" in playing politics. By this, we mean the toleration of the majority and submission of the minority. Thus, they will be able to lead us from hopelessness to hopefulness; to convert this young Republic from an extremely weak nation to one of the strongest powers in the world.

What Is Wrong with Nanking

Since 1926 China has been under the control of the Kuomintang, the foremost political party in the country. The supreme power of the people is now being exercised by the Kuomintang for the people during these six years, to end by 1935. This period is known as a period of Political Tutelage. But before this period is ended, not only the people but also some veteran members of the Kuomintang themselves demand the early termination of the political tutelage, early entering of the period of constitutionalism, the return of the political rights to the people, the "emanicipation" of the rights of the people, etc. Here, we see at once that there must be something wrong with the Nanking Administration or the "Kuomintang rule." Unless we can find out the trouble we can not expect to find out the remedies or the solutions of the present political problems.

No Political Tolerance

1.—Political parties perform the essential functions in a democracy of the crystallization, formulation and propagation of political opinions and policies. The party in power rules and serves the country. But the party in opposition (or opposition party) likewise fulfills vital functions in the constitutional government, and does the task of criticising the policies and acts of the administration so that the party in power may profit by such constructive criticisms. While the party in power is the servant of the people, the opposition party is the supervisor and the alternate.

Not only this, those who do not join with any political party should also be tolerated. It is because when two parties are almost equal in strength, that the independents will decide a political issue by siding with the party which they deem to be right. In a constitutional democracy, the independents serve as judges or umpires in the political games.

We believe, what is essential for China today is the development of two great political parties, one in control of both the executive and the legislative departments, and the other in opposition. This is an indispensable step in the evolution of a popular constitutional government and this is the only way whereby civil warfare in China can be avoided.

A review of the nationalist regime will reveal to us that the policy of the Nanking Administration is one of high-handed action. It is not necessary for us to mention here that in the past Nanking has allowed no political tolerance to those who hold the opposite views, and that many of the leaders in the country were put in prison merely because of differences in policies or principles. Those who are making trouble for Nanking today practically all have served their terms in Nanking "imprisonment" previously.

One or two more instances will further reveal to us that such a policy of high-handed action is by no means abandoned or modified. During the past months, several leading Chinese papers in the country have got into trouble with Nanking. *Ta Kung Pao*, the foremost and leading Chinese paper in Tientsin, was once banned by order of the authorities, obviously because of the full publication by the paper of a telegram from the South-West Political Council to Nanking which demanded the resignation of General Chiang Kai-shek and President Wang Ching-wei. *Yi Shih Pao*, another leading Chinese paper in Tientsin, was once also denied the postal privileges, obviously because of editorial comments which Nanking considered as "unfavorable," and the full publication of a report from its correspondent in Hongkong concerning Chang Chi's mission to the south. The privileges were restored to the paper upon the resignation of its editor, one of the most out-spoken editors in the country.

Nanking's idea is apparently to suppress and give no publicity to the voices from the opposition, but as a matter of fact, such manifestoes, telegrams, etc. were all being translated into English and published in full in the foreign papers in China. What is then the use of suppressing the publication by the Chinese papers?

Nanking claims that Nanking is willing to take Hu Han Min's famous 8-Principle Manifesto (dated December 15, 1933) into favorable consideration, yet we could not read the full text of Mr. Hu's manifesto, unless through other private sources or from the foreign newspapers, because the publication of the full text is being suppressed. Nanking claims that freedom of press, speech, etc. is expressly provided in the Chinese Provisional Constitution, yet we see one paper after the other getting into trouble with the Nanking authorities, for no other reason except that some editors are bold enough to point out the blunders and shortcomings of the Nanking leaders. Such affairs might be pardoned under the Peking regime, but should not be permitted under the nationalist regime.

Such manifestoes, telegrams, etc. represent the voice of an opposition. If the freedom of speech, press, etc. is correctly interpreted in the true sense of the word much publicity should be given to them. In fact, as Nanking does so much publicity for herself, the same amount of publicity should be give to the opposition, so that the public or the independents will have a better idea of the situation and will be in a better position to decide the affairs of the State. There are some people who are opposed to President Roosevelt's N.R.A. program, but we never hear that the American executive will take steps to suppress the speeches, or activities of those who oppose him. Nor have we ever heard that when the Labor Party is in power in England, it takes steps to suppress the voice or activities of the Conservative Party.

So, the first reform which should be introduced is that hereafter it should be one of the Chinese unwritten constitutions that no matter which party is going to be in power, that party should exercise more political tolerance, should recognize the existence of the opposition party; should take the views of the opposition into consideration; and should allow the opposition to carry on activities within lawful limits. If such a reform is effected, many political uprisings would be avoided, and China could become a truly democratic nation.

Reform of the Political System

2.—The present unique political system in force in Nanking deserves a few words of our comment. Nanking claims that the Nanking political system is modeled on the cabinet system in the West. But the very condition and prerequisite for the cabinet system is the two-party system, one in power and the other in opposition; and the very great advantage of the cabinet system over the presidential system is the "quickness and easiness" in settling political disputes whenever they may occur.

But, strange to relate, Nanking allows no opposition to exist; its voices and activities are totally disregarded and suppressed. Experience has further shown us that it is by no means easy to adjust and settle the political disputes between the party in power and the party in opposition; and there is no way for the opposition to replace the party in power. The opposition party, in its political fight is greatly handicaped by lack of many of the political weapons which are usually given under a democratic form of government. Under the present unique political system, there is no election campaign nor the regular convocation of the national congress, whereby the political parties could announce and propagate their respective policies; could openly challenge each other and could appeal to the masses or the electorate for decision. When the opposition is being deprived of all means for a political fight with the party in power; and when the opposition's voices and activities are further suppressed through the high-handed action of the power in power, the opposition is naturally crystallized into a series of political intrigues, which could easily lead to or culminate in an armed conflict, when the opposition resorts to arms with a view to bringing about the donwfall of the party in power. Here is the fundamental cause of the Chinese political dissensions during these years. That is to say, there must be someting wrong with the present political system—which should be reformed. That is to say, Nanking adopts the cabinet system, but without fulfilling its requirements, nor deriving its advantages.

When four of China's big provinces were lost in rapid succession; and when Nanking was unable to put up an organized resistance to check the advance of the aggressors toward the old capital, unless by signing a "disgraceful agreement;" and when Nanking adopts such a "weak-kneed" policy towards Japan, opposition is bound to be stirred up and to be strong. The only difference is that in China the situation, instead of stirring up a "hot debate," "interpellation" "vote of non-confidence," etc., in the parliament, which often results in a change of the cabinet, generally leads to another "Anti-Nanking Drive"—which Nanking always terms a "rebellion." Even in the former Manchu regime, under the same conditions, the emperor would have issued one or two edicts to blame himself for the disaster that has been brought about to the country. But the present Nanking government never acknowledges its inabilities and failure. When the opposition is expressly demanding that the party in power "should give way to the better," (meaning resignation) it has only replied by a sharp answer from the party in power that "he would stick to his post . . ."

The best remedy for the present political chaotic condition is to end the present period of political tutelage and to enter at once the period of constitutionalism whereby the political system will be more in conformity with the well-established principles in the world; will be more expedient to meet the change and need of the time; and whereby the members of the Legislative Yuan and the Censor Yuan will be elected by the people, rather than "appointed" by the Government; and the national congress will be held regularly, and the people will have more voice in the government; and the political parties will have an equal chance to play politics. Thus the fundamental cause of political up-risings will be removed.

Is Dictatorship Wanted?

3.—It is often said that the present situation in China is analogous to that in America after the Declaration of Independence when the sectional feeling was very strong among the states, and when every state wanted to be independent to maintain its own army, coin its own money and do as it pleased. The issue following the American Revolution was one of the "centralization vs. decentralization,"—so the same with China after the Revolution.

It is also pointed out that if the strong hand of Washington should have been withdrawn from the government at that critical time, the work of the revolution might have been ruined by the strifes of parties before it had time to prove its worth. Washington was reviled as "tyrant, dictator and despot."

It is also pointed out that after a revolution, a country is sure to be thrown into confusion, and that it is advisable to have a strong hand to rule the country in the form of dictatorship, adding that Germany, Italy and Russia are all governed by dictatorships today, and that they are on the way to stabilization.

No one will deny that China under the present condition does not need a dictatorship. We agree wholeheartedly that there should be centralization of powers to the central government rather than decentralization after the revolution. We shall further add that we want a dictatorship; for we believe that the best bridge between the absolute monarchy to constitutional democracy, between the "rule by man" and "rule by laws," is the dictatorship.

But there is a sharp difference between Nanking dictatorship and the dictatorship which we advocate; between Nanking dictatorship and the dictatorship in Germany, Italy and Russia of today. What we call dictatorship is a dictatorship by the party in power, not a dictatorship by some individuals. Such dictatorship may be called a "revolutionary dictatorship" or a "dictatorship of political leadership." But in order to carry out the dictatorship successfully, several conditions should be fulfilled, and they are:

1. The party in power itself should be well organized, and
2. The policy, new ideology of life as well as what has been done by the party in power should be such as to hold the confidence and respect of the people, and should have the full support of the masses of the nation.

Visitors returned from Germany, Italy and Russia all express their satisfaction and admiration over the organization of the Nazi, Fascist and communist parties. A foreign resident in Shanghai who has just returned from Germany told us how well organized is the Nazi Party, and everywhere is evidence of loyalty of millions of people to "Heil, Hilter!," and under the Nazi rule, there is every sign of eventual regeneration of life and the revival of national hopes. (see the *North China Daily News* dated Dec. 19, 1933.)

Herr Hilter's strong determination and firm policy to revise the Versailles Treaty, which Germany considers as "unjust," in spite of the French opposition, together with his determination to leave Geneva in his efforts to re-arm Germany, has won him whole-nation-wide support and has made him not only a Nazi leader but a national leader.

What about the Nanking Dictatorship? Apparentuy it is not a dictatorship of the party, because the party in power (the Kuomintang) itself is now disintegrating. It is only a dictatorship of some individuals. Hu Han Min, in his manifesto on the present situation, has the following to say about the Nanking dictatorship:

> "Let us turn our eyes to the present situation. Politics are in the hands of the militarists. Wherever there are arms there are politics. The real ruler of the country is not the Government but the chairman of the Military Affairs Council. Before him all would-be politicans are like mice before a cat.
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> "It is not the party but a conference in Nanchang (capital city of Kiangsi Province) or in Kuling that leads the nation. Politics lie in the hands of the militarists in defiance of the popular will. The militarists are so dominant that no one dares oppose them. The ruling class is seeking only selfish ends at the expense of the country's dignity. Can there be national unity in its true sense in the face of such a corrupt state of affairs."

Policies Which Disappoint the People

The Nanking policy as well as what Nanking has been doing is also quite disappointing to the people. Let us leave aside about Nanking's indefinite and "drifting" policy towards the Manchurian situation, its inabilities to cope with the Japanese aggressions, etc.; what has been recently done by Nanking as indicated by the following instances, should be more than sufficient to cause the breakdown of the confidence of the people in the government not to speak of winning the support of the people:

(a) Due to public opposition, the Central Political Council decided to suspend the negotiations with the Japanese over the restoration of traffic communications between Peiping and Mukden and other issues, which, to us, amount to a defacto recognition of the Manchukuo by China. Yet the director of the Peiping-Mukden railways went on to negotiate with the Japanese. Whether such negotiations were permitted with Nanking's instructions, we do not know, but the fact is that this director is neither dismissed nor punished.

(b) The Japanese had been attacking and bombing the Eastern districts of Charhar, apparently with a view to occupying and incorporating the Charhar Province into the Manchukuo union, when the latter declared a monarchy on March 1. But we have heard not a word about Nanking's action and reprisal, to cope with the menacing situation!

(c) Chang Hsueh-liang, notoriously known as "non-resistance general," was requested by General Chiang Kai-shek to come back to China, and a big reception was being prepared to "welcome" him back.

(d) Tang Yu-ling, former governor of Jehol, who was responsible for the loss of Jehol and who was ordered to be arrested and punished by express order from the Government is now being exonerated from blame, when the Executive Yuan, in a communication to General Soong Teh-yuan, chairman of Suiyuan Provincial government, notified him that the Yuan had already passed a resolution to cancel the order for the arrest of General Tang Yu-ling and is presenting the same to the National Government for endorsement and enforcement.

These two generals who were responsible for the loss of four big provinces in a couple of months, not to mention their mal-adminstration of these provinces, who should be executed right on the spot or who should commit suicide themselves under the Manchu regime, are allowed to be "free men." One has enjoyed his around-the-world trip at an expense of no less than $30,000,000; and the other is now holding a high and dignified position in the Sui-

yuan provincial government. How could the National Government deal with other generals who fail to defend the national territory hereafter? How could the National Government uphold the national dignity and enforce her laws? Will the Chinese laws be only applicable to the magistrates?

Nanking never recalled to service General Ma Chan-shan, the Nonni River hero, and other generals who put up a good fight against the Japanese in Manchuria. One leader of the volunteer corps in Manchuria who fought against the Japanese in Manchuria has now to be a "ricsha coolie" in Shanghai in order to earn his livelihood! Yet the "non-resistance generals" enjoy every privilege, even honor, accorded by the government!

What the dictatorship is doing in Germany has exactly the effect of holding the confidence and respect of the nation; but what the dictatorship is doing in Nanking is exactly having the effect of alienating the confidence and respect of the nation. That one is welcomed and is to last longer and flourish and that the other is destined to be opposed and ended, goes without saying. Such dictatorship which may well be called an "autocratic" dictatorship of the middle ages is not what we want. We want a government in Nanking which is strong and centralized and which acts according to the will of the people. We want a political system in Nanking with well-established principles of "separation of powers," not only among the executive, legislative and judicial departments, but also between the civil and military departments, and also the submission of the latter to the order of the Central Government. We want a dictator who can himself work hard for the salvation of the country and whose policy and actions should justify him to be looked upon as "a China's Great Patriot" and regarded as not only the leader of the Party but a national leader.

The above-mentioned and discussed three points are some of Nanking's greatest blunders and shortcomings—which require immediate remedy. The Kuomintang may keep on to rule China, but the Kuomintang should exercise more political tolerance according to the principles discussed above. The present period of political tutelage should be ended and the permanent constitution should be adopted. A strong centralized government should be formed. Under such circumstances, not only the root of civil strifes is extirpated, but political stability is also achieved. The suppression of the communists in Kiangsi would become unnecessary, for the communist party, under our suggestion, would become one of the political parties in the country whose political activities within lawful limits are permitted. Only when the political stability is achieved, will we be in position to effect any other reforms, or to talk about putting up resistance against the Japanese aggression. Such is the mission of the C.E.C. Meet; and such are the problems which the C.E.C. Meet is called upon to decide.

Nanking, January 15, 1934.

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C.E.C. Members in Different Places

In Nanking:

Wang Ching-wei 汪精衛
Sun Fo 孫科
Tai Chi-tao 戴傳賢
Yih Chu-chung 葉楚傖
Chu Pei-teh 朱培德
Yu Yu-jen 于右任
Shao Yuan-chung 邵元冲
Chu Kai-hwa 朱家驊
Chow Kai-kang 周啓剛
Chen Lih-fu 陳立夫
Fong Kuo-wei 方覺慧
Wang Pei-chun 王伯羣
Tan Ching 覃振
Shih Ching-yang 石青陽
Chen Kung-po 陳公博
Koo Meng-yu 顧孟餘
Kan Lan-kwang 甘乃光
Chu Cheng 居正
Shih Ying 石瑛
Ting Chu-wu 丁超五
Chang Chin 張貞
Kung Hsiang-hsi (H. H. Kung) 孔祥熙
Ho Yao-chu 賀耀祖
Tang Kai-yi 鄧家彥
Mao Chu-chun 茅祖權
Li Chung-wang 李宗黃
Ma Chu-chung 馬超俊
Chen Hsiang-ying 陳肇英

In Kiangsi:

Chiang Kai-shek 蔣中正
Koo Tso-tung 顧祝同

In Honan:

Liu Shih 劉峙
Liu Shieh-chung 劉守中

In Peiping:

Ho Ying-ching 何應欽
Pei Yuan-ti 白雲梯
Wang Ching-ting (C. T. Wang) 王正廷

In Tsingtao:

Ting mi-fei 丁維汾

In Shanghai:

Wu Teh-chen (Mayor) 吳鐵城
Soong Tse-ven (T. V. Soong) 宋子文
Yang Shih-chung (Ad.) 楊樹莊
Chin Hung-yi 經享頤
Wang Fa-chuan 王法勤
Soong Ching-ling (Mrs. Sun) 宋慶齡
Ho Hsiang-yi (Mrs. Liao) 何香凝
Li Lieh-chuan 李烈鈞
Pei Ven-wei 柏文蔚
Chen Chin 程潛
Hsiung Kai-wu 熊克武
Hwei Chung-chi 桂崇基
Chang Tze Pu 張知本

In Kwangtung:

Hu Han Min 胡漢民
Wu Chao-chu (C. C. Wu, died) 伍朝樞
Li Wen-van 李文範
Liu Chi-wen 劉紀文
Liu Lu-yin 劉蘆隱
Chow Lu 鄒魯
Chen Chi-tang 陳濟棠
Chen Teh 陳策
Li Yang-ching 李楊敬
Yu Han-mao 余漢謀
Ling Yi-chung 林翼中
Chang Wei-cheng 張惠長

In Chekiang:

Cheng Yang-fu 曾養甫

In Yangchow (Kiangsu):

Wang Pei-ling 王柏齡

In Hankow:

Hsia Tao-yin 夏斗寅
Ho Chen-chun 何成濬
Chang Chuan 張篆

In Chinkiang:

Chen Ku-fu 陳果夫
Chow Fu-hai 周佛海

In Kwangsi:

Pei Chung-hsi 白崇禧

In Shansi:

Yen Shih-sen 閻錫山
Chao Tai-wen 趙戴文

In Taian (Shantung):

Feng Yu-hsiang 馮玉祥

In foreign countries:

Yang chieh 楊杰 (in Italy)
Chang Fa-wei 張發奎 (in England)

Brave Pilots and Quartermasters of Upper Yangtsze

(By K. J. Brookes in *The North China Daily News*)

Of all the Chinese thousands who earn their rice on the broad bosom of the Yangtze, the most impressive to the foreign onlooker is the Upper River pilot. He is the aristocrat of the river. Usually richly attired in silk jacket and winter-time fur cap, he takes his station on the bridge, puffing equably at a long-stemmed pipe. In the fiercest of the rapids, when passengers find it hard to look nonchalant, he rarely stirs a foot to left or right, but the heedful quartermaster at the wheel knows from long experience how to interpret into action every crook of the pilot's slender forefinger. A moment's consideration of the hissing water tells more to the pilot—often graduated from years of junk work—than hours of poring over charts would reveal to the tyro. When he goes ashore in his own sampan at the end of the passage, it is with an air of calm dignity befitting one of such importance. The life of the ship is in his hands, and he knows it. Pilots and Chinese quartermasters, incidentally, have often stood loyally to their posts while others have taken cover during fusillades from shore. Some have unflinchingly paid the penalty, for bandits are no respecters of persons, and compradores as well as captains have been kidnapped and held to ransom on the Upper River—that hazardous, thrilling land where the incredible comes true.

Chinese Never Break Contracts, Says Japanese Merchant, in Ingenious Argument

Gisaku Takigawa, managing director of the Kobe Exchange, is quoted by the *Yushin Nippon* as saying that he has been doing business with Chinese merchants for many years but that not a single written contract has ever been exchanged. No Chinese merchant with whom he has hitherto done business has ever broken a promise because of the absence of a written contract. It is because Japanese diplomats do not understand China and the Chinese that there is an outcry among the Chinese for the recovery of Formosa, for the independence of Korea and for the restoration of the lost territory in Manchuria and Mongolia, according to this Japanese business man.

Licensed Quarters in Japan May Be Ended Soon

Recent articles in newspapers in Japan (among them one by Setsu Uenoda in the *Japan Advertiser*), state that the Japanese government is likely to abolish licensed prostitution before the meeting of the League of Nations at Geneva next fall to discuss the problem of woman traffic and child traffic, according to the leaders of the anti-vice movement. They declare the time is ripe for the government to take the step, now that the authorities are apparently prepared for it and that licensed housekeepers are convinced that their business is doomed.

Severe Earthquake Hits Calcutta

The severest earthquake in modern times in India occurred in Calcutta and vicinity on the afternoon of Jan 15; it lasted three minutes. A number of buildings were damaged in Calcutta, including the High Court, the Catholic Church, the Government Secretariat, the Imperial Bank and the Electric Corporation building. Many were killed and injured. Eight persons were killed at Patna, and nine in Gaya. At Jamalpur the station building of the East India Railway collapsed, killing wives and children of railway officers. In Bihar many public buildings and homes were wrecked. At Darjeeling many houses collapsed. Telegraphic communication with Darjeeling is disorganized.

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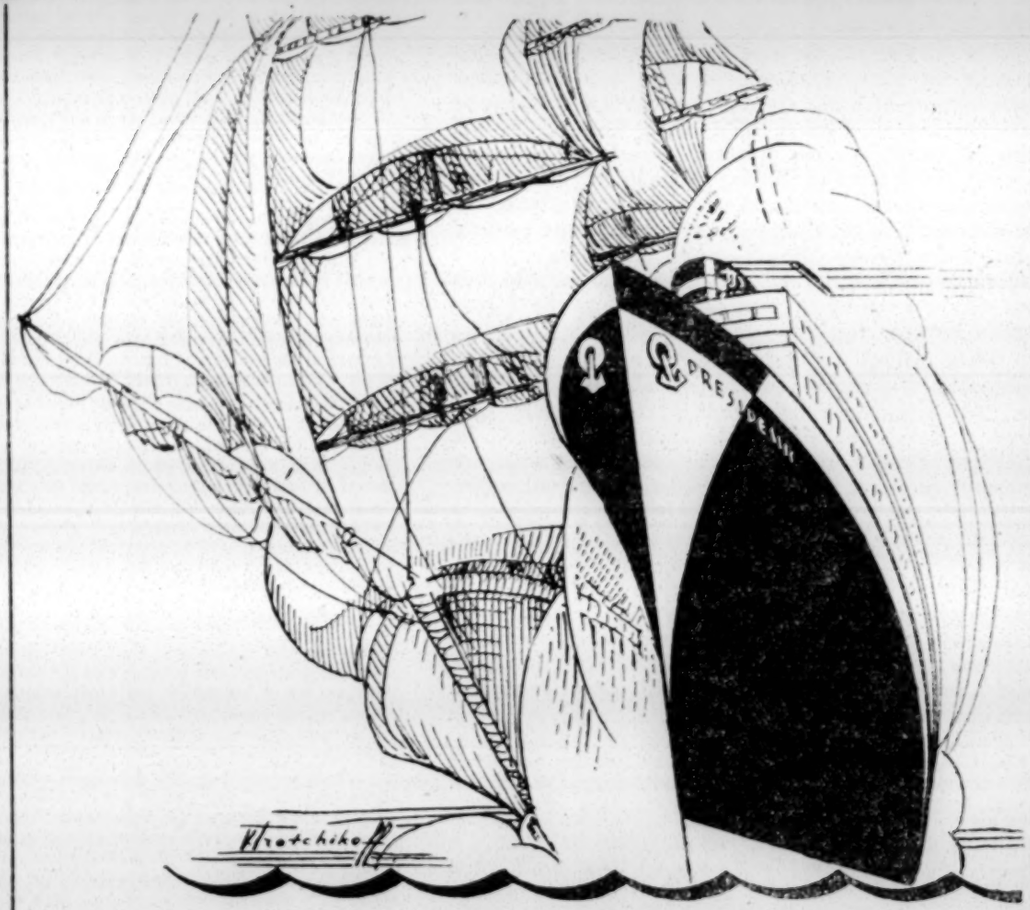

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General Chang Hsueh-liang Returns

BY PAUL K. WHANG (汪仲方)

GEN. Chang Hsueh-liang, attired in well-cut foreign dress and decorated with honors conferred by the foreign governments, has been once again in our midst. For some eight months, he was, so to speak, a man without a country and a wanderer in foreign lands. This brief foreign sojourn, however, has wrought such a miracle change in his physical appearance, that it has been claimed that he is no longer his old self. Not only has he gained twenty pounds in weight, but looks at least ten years younger. Instead of being a pale-faced and hollow-cheeked opium addict, he is now a fresh and healthy young man.

The only regret we have is that he has not fulfilled his wish in winning some academic honors at either Cambridge or Oxford. It may be recalled that during the hectic days of August, 1932, when Wang Ching-wei threw a bomb in the political arena by resigning in order to force the Young Marshal to resign also because of his dissatisfation with the latter's policy of non-resistance, he once proclaimed that he would proceed to England and bury himself among the books at either Cambridge or Oxford. The non-fulfillment of this wish must also be a source of profound regret to the Young Marshal himself.

While he has not been able to avail himself of the opportunity to receive a university education, he, however, has managed to bring back with him many new things to enlighten his people. He has learned the definitions of many 'isms," and can now discuss with ease the trends of either Fascism, or Hitlerism or Bolshevism. He has met many notable figures of Europe including President von Hindenburg and Premier Mussolini, and can tell us the achievements of these great men. Besides, being a dancer of no mean caliber, he might be able to pick up some new steps while in Paris. His discussions on the new political theories and the achievements of European political leaders may not attract the public interest, but his new dancing steps will certainly score a hit in local society.

We wonder if Gen. Chang has ever been received in audience by King George V. His Majesty, it my memory is correct, has seemed to be very much interested in knowing something about this Young Marshal, because he once told a Chinese government representative to the effect that in European history there was never a general who could attain the rank ot Marshal without passing his fiftieth year of age. Therefore it is only natural that the King of the British Empire would be pleased to meet him in person.

An Enigma as Well as a Puzzle

Gen. Chang may be an enigma to the foreign observors, but he is no less than a puzzle to his own people. Although he surrendered voluntarily Manchuria and Jehol, he is yet a persona non grata with the Japanese militarists. He was principally responsible for the loss of Chinese territories, but he has been exonerated from all charges and blames. In spite of his youth and inexperience, his leadership over the Northeastern Army has been respected by his generals. In spite of his failure to carry out his duty, his services have been still solicited by the Nanking government.

Gen. Chang's present return should not occasion us any surprise, because at the time of his departure, it was freely predicted that his foreign sojourn would not be a long one. But that he should return at this particular time when the country is in the throes of another civil war can not but be a matter of great conjecture. One report has it that his abrupt return has something to do with the resignation of T. V. Soong. Another report has told us that he was called back by Gen. Chiang Kai-shek, because his presence is necessary in order to keep the dissatisfied northern military leaders from joining the Fukien separatists. What concerns us the most is not the motive which prompted his returning but the future role which he will play in the Chinese political stage.

Pending the change of the Japanese hostile attitude toward him, it is not expected that he can proceed to the North and resume the control of the Northeastern Army. What is Wang Ching-wei's attitude toward him is also a matter of great interest. Unless their personal differences can be patched up, his appointment to any high government office will not be countenanced by Mr. Wang and his followers. Therefore, for the time being, he has to be contended with living a life of retirement.

Inspite of the fact that he is a man without territory, he has still wielded a great influence over North China, where his army is now stationed. His hold over his army has not been slackened by his absence. If the Japanese militarists have really no intention of interfering with internal affairs in China or with the movements of Gen. Chang as a Japanese Foreign Office spokesman declared, his comeback as the overlord of North China is a matter of certainty. Because of his latent influence, his present activities, therefore, must have a great bearing upon Chinese politics. In view of the intimate relationship between him and T. V. Soong, one tends to believe that he will most likely use his good offices to patch up the differences between Gen. Chiang and Mr. Soong and pave the way for the latter's resumption of an important government office.

During the past eight months, the public opinion toward him has undergone a marked change. The people have no longer singled him out for their object of condemnation, after finding that his successors in North China did no better than submit themselves abjectly to the Japanese to the extent of concluding the Tangku truce. In fairness to Gen. Chang, if he surrendered himself right after the Manchurian incident, the Sino-Japanese differences would have been settled, long ago, and he might have become a favorite of the Japanese militarists. It is principally due to his refusal to submit to the Japanese rule that his removal from the office has been insisted upon by the Japanese.

Much to Be Said in His Favor

To go one step further, if he played himself into the Japanese hands and followed the dictates of the Japanese government during his term as the overlord of Manchuria, the Manchurian incident would have never occurred, and to the present he might still be the nominal head of the three Northeastern provinces. While his ineptitude and unpreparedness to meet the Japanese long-contemplated invasion deserve our condemnation, his reluctance to be the Japanese cat's paw should be praised. Compared with the deplorable show of his successors, there is much to be said in his favor.

To some extent the Young Marshal is but a victim of circumstances. He was born with a silver spoon in his mouth, and inherited his father's power and fortune without any self-exertion. Being an inexperienced youth either politically or militarily, he was asked to rule over a domain where two strong neighbors watched with covetous eyes. His tactlessness and ineptitude in dealing with two strong neighbors caused two foreign invasions and the downfall of his regime. The government which entrusted him with this important task should also share the blame of his failure in defending China's territories.

Gen. Chang is still in his thirties. With this bitter experience at his heart, he can yet have plenty of chances to redeem himself from the past misdeeds. His past life may be a dissolute and condemnable one, but if he can profit by his present foreign sojourn and get rid of his habits, his future seems to be brighter than any other young man of his own age. He can easily rise into his former power and glory if he can really serve his country, not only in words but also in deeds.

It is fervently hoped that his foreign sojourn, which has done so much good to his health, has also improved his mind in an equal degree. As Shakespeare once said, "Home keeping youths have ever homely wits," his extensive tour in foreign countries and his contact with notable leaders of foreign governments may conduce to broaden his outlook and enhance his knowledge. What he has seen with his own eyes and heard with his own ears may leave on his mind a deep impression which may have influence over his future life.

Being a military man, he must have learned some secrets about the organization of a modern army. As reported, he has been especially impressed with the aviation development in Italy. If he is really interested in the reorganization of the Chinese army and the development of China's air forces, we wish that henceforth Gen. Chang should refrain himself from participating in Chinese politics, and devote his whole time and energy to these two objectives. The attainment of these two objectives will not only enable China to recover her lost territories, but also help him to revenge his father's death.

His past failure, it must be said, was partly attributed to the lack of good and honest officials to assist him in running the government. Many of his close followers were no others but his gay companions of his youthful days, and they indulged in all sorts of evil practices to enrich themselves. In order to rehabilitate himself, he must exercise great care and judgment in selecting his subordinate officers.

The Young Marshal has a great future before him, if he can take to heart the past bitter experience and the lessons learned from his present foreign trip. The people's mind is known to be exceedingly fickle. Today they may condemn him, but tomorrow they may worship him as a national hero. Whether he will be an everlasting-condemned man or a national hero, only the future can tell.

Shanghai, January 15, 1934.

Chinese Government Railways

Shanghai-Nanking and Shanghai-Hangchow-Ningpo Lines

From Shanghai to Nanking: 311.04 Kilometers

From Shanghai to Hangchow: 189.57 Kilometers

The Shanghai-Nanking Line extends from Shanghai, one of the greatest seaports in the world, to Nanking, the seat of the Nationalist Government of China. Short as it is when compared with the other trunk Lines in China, it serves a rich and densely populated district of preponderant importance, politically, as well as commercially and industrially. The whole Line is dotted over with points of known scenic beauty too numerous to be all mentioned here. Tourists and travellers should utilize the train service of this Line at least to visit Soochow, known as the "Garden City of the Orient," Wusih, the picturesque city on Lake Tai-hu, Chinkiang, the "Gate of the Yangtze River," and Nanking, a city rich in historic remains with the new grand Mausoleum of modern architecture for Dr. Sun Yat Sen, Founder of the Chinese Republic.

The Shanghai-Hangchow-Ningpo Line runs southwestward from Shanghai through a tract of beautiful places. At Lunghwa one will see the famous Pagoda with a long history attached to it; at Sungkiang, the observatory of the French Fathers at the summit of Sha Shan and the grave of General Frederick Ward; at Kashing, the South Lake and the Three Pagodas situated about two miles from the station; and at Hangchow, the present terminus of the Line from Shanghai, the renowned West Lake which called forth highest praise from Marco Polo, with such picturesque surroundings that it has been well called the "Switzerland of China." Tourists! A visit to Hangchow by the comfortable trains of this Line will give you the utmost satisfaction of travel and untold pleasure of sight-seeing.

For further information apply to the Traffic Manager of the two Lines at Shanghai North Station.

American Recognition of Soviets Shocks Japanese

(From the Review's Harbin Correspondent)

THE recent restoration of diplomatic relations between Soviet Russia and the United States has turned out to be a virtual shock for the Japanese militarists and jingoists, so much so that they now expect all sorts of evil effects for their Empire. In extreme nervousness, they now picture to themselves both the named countries united in a military alliance against Japan and scheming all sorts of intrigues directed against Japanese interests, especially the materialization of Japan's expansionist policy on the Asiatic mainland. Only by such wrought-up imagination can one explain the recent sensation created in this city by two Japanese papers, the *Harbin Times* and the *Harbin Nichi Nichi*, both of them reporting that, according to "well informed Japanese sources," Russia and the United States have signed a secret pact in terms of which Russia has agreed to create a buffer-state in Siberia, financed by American capital, and run by White Russians.

The most salient point of this report is the allegation that the proposed buffer-state will be governed by White Russians, specifically imported for this purpose from Europe, namely, by Profsssor Milukoff, who, by the way, because of the recent denouncing of Japanese militarism, made himself a butt of general attack by the Harbin White Russian politicians, Mr. Grebenshikikoff, a noted author, Generals Denikin and Bugaevsky, two prominent leaders of Whites, all of them now exiles in Paris. It is alleged that the initiative to approach said White Russian leaders was made by Moscow, namely, by War Commissar K. Voroshiloff himself, who is reported to have written a personal letter to General Denikin inviting him "to forget the past dissensions and to assume leadership in the reunion of Whites and Reds by taking part in the creation and development of a buffer-state in the Russian Far East."

It is further alleged that in the creation and development of the new buffer-state the Americans will play a most prominent part, the Russian Far East being literally thrown open for their exploitation. Both the *Harbin Times* and the *Harbin Nichi Nichi* insist on having learned definitely that, at present, the details of this multi-sided cooperation are being worked out in Washington between the representatives of the Soviet and American Governments. The papers aver that, while the main purpose of Soviet Russia in coming out with this extraordinary scheme might have been the desire to avert a headlong clash with Japan, and also to win the American support to her side, Soviet Russia is, in the meantime, pursuing her cunning tactics to create a stronghold in the Far East with a view to disseminating communistic doctrines all over Asia.

The sensation has stirred up the Whites, causing all sorts of comment amongst them. Some of them say that, because of certain significant events happening lately in Soviet Russia, the sensation should be given certain credence. In this respect, they point to a recent Moscow announcement that, as from January 1, the Soviet Far East, comprising the Maritime Province, Amur and Trans-Baikal Provinces, is to be put on a different footing from the rest of Russia, specifically in respect of grain collections and other features of Soviet internal policy. To this they add that, of late, the Soviet Government has virtually revived the new economic policy (the so-called NEP) and is introducing same in the three named provinces, the main feature of it being free trading,—something which has been a complete taboo in Russia ever since 1924.

The New Jewish Republic

The creation of a Jewish republic in the Far East, with which the Soviet authorities have been busy for these several years, also serves a useful purpose in the argument of those who believe in the Japanese created sensation. They recall that the said republic, known as Biro-Birdjan, comprises a huge tract of land extending from Habarovsk along both banks of the Amur right up to the Bay of Tartar, and that, since some time ago, the authorities have been busily settling it by Jewish colonists, brought from European Russia, and that—to add to it—a world-wide invitation has been extended to all Jews to come and settle in the region. So, the Whites of this type see nothing surprising or extraordinary in the report of the Japanese press.

There are, however, certain Whites, especially among the non-militant groups, who regard the report as having subtle motives—to ascertain, by means of a fabricated report, the reaction of White Russian groups towards the recent rapprochement between the United States and Soviet Russia, specifically towards a possible alliance between them against Japanese interests. Such Russians assert that, by linking the above-named White Russian leaders to a wholly fabricated report, the Japanese might have tried to provoke a public statement from them as regards their position after the restoration of the Soviet-American amity.

One of pro-Japanese writers, P. Borisoff, commenting on the report in one of the recent issues of the *Harbin Times* states that Whites should guard theselves against the Soviet-American schemes to misdirect them away from a truly pataiotic path, rejecting the proposition and throwing their lot with that of the Japanese Empire,—a guardian of righteousness and a bulwark against Bolshevism in Asia. Assuming the role of a patriot, Borisoff asks—Is it possible for communist and capitalist regimes to exist side by side in Russia? Will the future Russia tolerate Americans to exploit a portion of her domain in their selfish interest?—and emphatically replies "no."

Such is the latest sensation of the town, which is being variously commented on both in the Russian and foreign circles. And the general opinion seems to be that it has been wholly fabricated by the Japanese for their own selfish purposes, as has been the case with many other false reports circulated by them lately from this city.

Harbin, January 14, 1934.

Outlook of the Impending War Between Soviet Russia and Japan

BY CHEN PIN-HO (陳彬龢)

(Continued from last week)

(c) *Soviet Leaders' Opinion On National Defence:*

At this juncture, it is interesting to note the attitude of Soviet leaders toward national defence as shown by the following excerpts of speeches. High tribute is paid, in the statements, to the "heavy industry" involved in the Five Year Plan,—which is vitally important from a military standpoint. The preparedness of the Soviet Union forceasts her determination to resist every attempt of attack by a foreign army.

Excerpts from V. Molotov's Speech at the Seventeenth Conference of the C.P.U.S.—January 1932:

"While we will exert our utmost to carry out a policy of peace we must also resist every attempt of attack upon the U.S.S.R. by a capitalist country. We must not overlook the fact that the challenge to international peace is gaining momentum—particularly in the Far East, which situation causes us to take special precautions. The White Russians in Manchuria are availing themselves of the opportunity to sever the Far Eastern District from the Soviet Union and to establish there a buffer state with foreign assistance.

".....At this moment, I consider that, for the defence of the country's vital interests, we must show our thorough preparedness . . . . . Not even a single inch of our territory shall be ceded to our enemy.

"The Soviet government must be on the alert as regards the vicissitudes in the Far East situation. I believe that our soldiers in the Far Eastern District will do their best to defend the Soviet territory . . . . . "

Excerpts from V. Molotov's speech at Moscow on the Occasion of the Sixteenth Anniversary of October Revolution—November 6, 1933:

"The problem of the situation in the Far East, the problems of our relations with Japan, were in the past, and remain at present problems attracting exceptional attention of workers of our country. Our policy in the Far East and our relations with our Far Eastern neighbors, have been constantly peaceful and directed for the maintenance of peaceful relations with them. As examples I can cite not only our offer to conclude a non-aggression pact with Japan, but also our offer to sell the CER.

"On no occasion are we changing this policy of ours now, but we must take into account the events in Manchuria, and the fact that agreements concluded with us have been violated, and that the policy of breaking these agreements is being carried out.

"We understand that it is our task to expose all attempts in that direction, to fully guard the interests of the U.S.S.R., and to defend the frontiers of the Soviet Union to the end.

"When we read the ridiculous plans of some prominent Japanese statemsen with reference to the seizure of Siberia, the seizure of the coastal areas, and when these plans and arguments in their favor become ever more frank and impudent, are we forced to be on the alert.

"The Manchurian government does not represent a serious factor in these questions. Everybody knows that the responsibility rests entirely with Japan, as the actual master of Manchukuo."

Excerpts from J. Stalin's speech at the Joint Plenum of the Central Committee and Central Control Commission of the C.P.S.U.—Japanry 7, 1933:

"What is the Five Year Plan? What was the fundamental task of the Five Year Plan?

REASONS WHY YOU WILL EVENTUALLY COOK BY ELECTRICITY

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NO SMOKE, dirt or dark corners for insects to breed in. No labour in ordering, housing and handling fuel. NO DUST . . . No time wasted for fire to burn up. Electric cooking is instantaneous in its use.

SHANGHAI POWER COMPANY

"The fundamental task of the Five Year Plan was to transfer our country, with its backward, and in part, medieval technique, to the path of new, modern technique. The fundamental task of the Five Year Plan, in transferring the U.S.S.R. into an industrial country, to utterly squeeze out the capitalist elements, to widen the front of socialist forms of economy and create the economic base for the abolition of classes in the U.S.S.R. and for the construction of socialist society. The fundamental task of the Five Year Plan was to transfer small and scattered agriculture to the road of large scale collective farming and thereby secure the economic base for socialism in the rural districts and thus remove the possibility of the restoration of capitalism in the U.S.S.R.

"Finally, the task of the Five Year Plan was to create in the country all the necessary technical and economic pre-requisites for increasing to the utmost power of defence of the country that will enable it to organize determined resistance against each and every attempt at military intervention from outside, against each and every attempt at military attack from without.

"..... We had only one single coal and metallurgical base, the Ukraine, which we could barely manage. We have not only succeeded in improving this base, but we have created a new coal and metallurgical base—in the east, which is pride of our country, We had only one single textile industry base—in the north of our country. In the very near future we will have two new bases of the textile industry—in Central Asia and Eastern Siberia.

"..... In view of the refusal of neighboring countries to sign pacts of non-aggression with us, and in view of the complications that arose in the Far East we were obliged hastily in order to improve the defences of the country, to transfer a number of factories for the production of modern weapons of defence .....

"All this resulted in the fact that from a weak country, unprepared for defence, the Soviet Union has been transformed into a country mighty in defence, a country prepared for every contingency, a country capable of producing on a mass scale all modern weapons of defence and of equipping its own army with them in the event of an attack from without.

"..... Of course, out of the one and a half billion rubles in foreign currency that we spent on purchasing equipment for our heavy industry, we could have set apart a half for the purpose of importing raw cotton, hides, wool, rubber, etc. We would then have had more calico, boots and clothes. But, then, we would not have had a tractor and an automobile industry, we would not have had anything like a big iron and steel industry, we would not have had metal for the production of machinery—and we would have been unarmed with modern technique in the midst of a capitalist environment which is fully armed. We would then have deprived ourselves of the possibility of supplying tractors and agricultural machinery to our agriculture—which means that we would have been left without bread. We would have deprived ourselves of the possibility of achieving victory over the capitalist elements in the country—which means that we would have immeasurably increased the chances of the restoration of capitalism. We would have deprived ourselves of all the modern means of defence without which the political independence of the country is impossible, without which a country is transformed into a field of military operations of foreign enemies. Our position would then have been more or less analogous to the present position of China.

"In a word, in that case we would have had military intervention, not pacts of non-aggression, but war, dangerous and fatal war, saguinary and unequal war; for in that war we should have been almost unarmed in the face of the enemy who has all the modern means of attack at his disposal.

"In carrying out the Five Year Plan and organizing victory in the sphere of industrial construction, the Party pursued the policy of securing the greatest possible rates of development of industry. The Party, as it were, whipped up the country and spurred it onward. Was the Party right in pursuing the policy of securing the speediest possible rates of development? Yes, it was abolutely right. The Party had to put an end, in the shortest possible time, to the weakness of the country in the sphere of defence. The conditions prevailing at the moment, the growth of armaments in capitalist countries, the collapse of disarmament, the hatred of the international bourgeoisie towards the Soviet Union—all this impelled the Party to accelerate the strengthening of the defences of the country, which are the foundations of her independence."

Excerpts from War Commissar K.E. Voroshilov's Speech Delivered before the First Congress of Collective Farm Shock-brigaders in Moscow—Nov. 1932:

"In order to feel more or less secure to pursue of a course of peaceful progress we need a strong industry, a developed agriculture. The entire state organization must stand firmly on its feet. We require a powerful army. We have such an army, well organized, armed with up-to-date peasants and the cause of socialism.

"We view with satisfaction the improvement in our relations with certain West European countries, recently expressed, in the first place, in the conclusion of a series of non-aggression pacts. Deserving of special attention are the signing and ratification of such pacts with Poland and France.

"But if it is possible to speak of a noticeable improvement in regard to the position on our western frontiers, the Far East still remains a section that demandsthe unabated attention of the entire

U.S.S.R. It is true that diplomatic relations with China were recently restored, and our relations with Japan, it would seem, are also normal.

"However, we cannot but view with apprehension the fact that certain fairly well-known men in Japanese political circles and especially the Japanese military, openly proclaim the possibility—sometimes even the necessity—of war with the U.S.S.R.

"..... At all events, the Japanese government has rejected our proposal, and we cannot but take into account this disquieting circumstance in all our undertakings, especially in the matter of the defence of the Soviet far-Eastern borders.

"..... We had long since a splendid army as far as human material is concerned, and in the last four years we made a decisive stride forward in regard to its equipment with modern technique. We are firmly convinced that this technique, plus the splendid cadres of the Red Army, plus our Bolshevist workers and peasants and the commanding staff of our splendid fighters, our entire strength and Bolshevist stubbornness, our proletariat and our collective farmers, constitutes a force against which no intervention could prevail."

Excerpts from Kalinin's Speech at Rostov on March 9, 1932 Before the Congress of North Caucasus Kolkhoz Concerning the Far East Situation:

"If our interests are threatened by the policy of a capitalist nation—whichever it may be—the workers and peasants of the Soviet Union will 'fight to the last man.' We are now confronted with the possibility of such a situation....."

Excerpts from General Vasili Blucher's Speech at Kharkov on the Occasion of the May 1st Festival Reporting on Conditions in the Far Eastern District:

"The territory not far from us will soon be devastated by the flames of war.

"I am confident that our soldiers in the Far East are versed in the use of modern weapons and are in readiness to defend the national borders at any moment, resisting every attempt on the part of our foreign enemy at encroaching upon our territory. However, we are not in the least soliciting war. We want only socialist reconstruction, and no intervention thereof is to be allowed....."

Excerpts from L.M. Kaganovich's Speech at the First All-Union Congress of Collective Farm Shock-brigaders—February 16, 1933:

"..... You have heard about our Far Eastern neighbors. Over there are groups—not the people who are kept under the capitalist yoke—but groups of imperialists, wealthy people, generals, who wanted and still even today want to attack us.

"Do you think that they leave us in peace because of our beautiful eyes? Or do you think they have refrained from attack because of a desire not to interfere with the work of the Russian, Ukrainian and other workers and peasants who are building a new life? No, this is exactly what they do not want. They would gladly prevent us from building. But they understand perfectly that if they attack us we would put up fierce resistance.....

"The Five Year Plan has secured peace for us. But we need not deceive ourselves. We must remember that the imperialists may attack us at any moment. This must be remembered and explained to all toilers .....

"In order to preserve peace, it is not enough merely to talk peace. It is not enough to raise one's hands and turn one's eyes to the heavens and pray for peace. It is all right to talk, but at the same time we must strengthen our Red Army. This is the militant task of our country, the avowed duty of all workers and collective farmers.

"We have achieved enormous success in strength our defences in the last few years and soon we shall celebrate the fifteenth anniversary of the Red Army. Our Red Army—this we can say with pride—is now both an armed and cultural force. It is in the full sense of that term the great sentinel of our vast Soviet Socialist borders."

5. JAPAN'S WAR PREPARATIONS IN MANCHURIA

Communication facilities between the war front and the country's political and economic centers, adequate supply of munitions, and strong armaments are the three principal considerations in preparing for war. These factors are duly taken into account by the Japanese authorities in their war preparations.

(a) *Network of Communications:*

Subsequent to the reformation movement of the Meiji regime, Tokyo and Osaka became the political and economic centers, respectively, of Japan. From these two important centers, the system of domestic and international communication and transportation radiates, with the "outer coastal line" assuming growing importance. Niigata and Hakodate, located on the "inner coastal line" have declined in their value and virtually become a rheumatized part of Japan.

After the Sino-Japanese and the Russo-Japanese wars, the Japanese were enabled to expand their influence into Manchuria, through occupation of Korea, Port Arthur and Dairen as well as the South Manchurian Railway seized from the hands of Russia. They devoted themselves, for many years, to development of the port of Dairen in order to convert it into a base for their continental operations. Throughout the period, the Japanese apparently overlooked the position of the Japan Sea.

As soon as ex-Premier Tanaka hoisted the banner of the so-called positive continental policy, the importance of the Japan Sea has been realized, in that it is found necessary, in the interest of Japan, to drive out Soviet influence from Manchuria. The base of Japan's continental operations has been removed from Dairen to Rasin (North Korea), and the importance of the South Manchurian Railway has been transferred to the Kirin-Hwaining Railway. The execution of Japan's plan was handicapped by local considerations prior to the September 18th uprising in 1931, however. Upon occupation of Manchuria and establishment of the puppet "Manchukuo" regime under Japanese auspices, it has been found possible by the Japanese to carry out their plan for the development of the network of communications with the Japan Sea as a center.

First consideration was given by the Japanese to the Kirin-Hweining Railway immediately following occupation of Manchuria. On April 20, 1933, this railway was officially opened to through traffic. In this connection, it is significant to note that the Tanaka Memorial declared that:

"..... The completion of the Kirin-Hweining Railway will be one of the outstanding achievements of the present regime; and the execution of our continental policy will bid well for our conquest of Asia. This railway will therefore be the most important line from the standpoint of our natonal policy..... If we want to carry out the new continental policy, we must build this line. Manchuria and Mongolia are undeveloped countries in the East. Over this territory we shall have to come into armed clash with the Soviet Union sooner or later....."

In view of the importance of the Kirin-Hweining Railway, the Japanese lost no time in constructing the line after the September 18th incident. The section between Tunhwa and Tomenkiang was first completed. From Tumenkiang, the line crosses the river and connects up with Yuki and Rasin, the latter being the new base of Japan's continental operations.

Now that the railway links up Changchun, Kirin and Rasin, the journey between Tokyo and Changchun may be covered in 39 hours, instead of 68 hours as previously.

From	*To*	*By*	*Time*
Tokyo	Niigata	Train	5 hours
Niigata	Rasin	Steamer	24 hours
Rasin	Changchun	Train	10 hours
		Total	39 hours

("Communications of the Japan Sea from Standpoint of National Defence" by Sekine, appearing in the "Revue Diplomatique," Japanese edition, September 15, 1933)

From Osaka, an industrial center, to Rasin, the distance is still shorter.

Along the trunk line between Kirin and Hweining, the following feeders are also being constructed:—

(1) From Hulmotung on the Tumen River to Sansing, crossing the Chinese Eastern Railway.
(2) From Lafa to Harbin, via Wuchang
(3) From Changchun to Taonan.
(4) Line connecting with Hailun and Keshan, on the Hulan-Hailun and the Tsitsihar-Keshan Railways, respectively.
(5) From Harbin to Tungkiang at the convergence of the Amur and the Sungari Rivers.
(6) From Tsitsihar to Heiho.

Feeder (1) cuts the Chinese Eastern Railway at Ninguta and holds the pivotal position of the Soviet Union's line of inter-communications with the Far Eastern Frontiers—Vladivostok, in particular. Feeder (2) reaches Harbin in a direct spur. When this is completed, the distance between Rasin and Harbin is shorter than that between the Soviet base, Khabarovsk, and Harbin. The economic and military value of this line is conspicuous. When feeder (3) is completed, it will enable the Japanese to move troops from Dairen to the western section of the Chinese Eastern Railway with expedition; while feeder (4) will serve to bring about co-operation between the Japanese forces laong the Hulan-Hailun and the Tsitsihar-Taonan lines during military engagements in North Manchuria. Feeder (5) will enable the Japanese forces to attack Khabarovsk, the important Soviet position in the Far Eastern District; and feeder (6) will enable the Japanese forces to threaten Blagoveshchensk from Heiho.

In view of the present strained relations between Japan and the Soviet Union, the Japanese have maintained day and night shifts in constructing these feeders. According to latest reports, feeder (2) has been completed on December 16, 1933; while (5) has reached as far as Fangcheng. The great railway bridge over the Sungari River near Harbin has been finished in the amazing time of one month. Light railways will be built from Kiemusze to Fuchin and from Fuchin to Tsiyencheng. Feeder (6) was originally built with light tracks due to the emergent use connected with the Japanese campaign against General Ma Chan-shan last year. The light railway has now been replaced by heavy tracks. Feeder (4) will be completed by the end of this year 1(933). The rest will also be finished in the near future.

Further, it must be pointed out here that: (a) the railways of the puppet "Manchukuo" have been placed under the charge of the South Manchurian Railway Administration; (b) the railways in

Chinese Government State Lottery

NEXT DRAWING - 2nd MARCH

Prize List

1	First Prize of	$500,000
2	Second Prizes of	100,000
4	Third „ „	50,000
10	Fourth „ „	10,000
50	Fifth „ „	2,000

and over **50,000** *other prizes*

Every prize is GUARANTEED IN FULL by the Ministry of Finance irrespective of the number of tickets sold.

TICKETS

OBTAINABLE AT BANKS, DEPARTMENT STORES, OR FROM

NATIONAL STATE LOTTERY ADMINISTRATION

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North Korea have also been placed under that Administration; and (c) the Japanese has completed a plan for the seizure of the Chinese Eastern Railway.

As decentralized control of the means of communication will cause inconveniences to military movements, the Japanese have ostensibly signed an agreement with the puppet regime, so as to assume absolute control of the railways in Manchuria. The lines which have been placed under the direct control of the South Manchurian Railway Administration are as follows:—

(1) Kirin-Changchun Line and Kirin-Tunhwa Line
(2) Supingkai-Taonan Line (Also Chengchiatun-Tungliao Line)
(3) Taonan-Angangchi Line
(4) Tsitsihar-Keshan Line
(5) Taonan-Solun (Wangtzumiao) Line
(6) Hulan (Manchuankow)-Hailun Line (Also Sungpo-Miaotaitzu Line)
(7) Mukden-Shanhaikwan Line (Also Lienshan-Hulutao Line, Kowpangtzu-Yingkow Line, Chinchow-Peipiao Line, Tahushan-Tungliao Line)
(8) Mukden-Chaoyang Line (Also Saho-Sian Line)
(9) Kirin-Chaoyang Line

As the Japanese have made Rasin their new base for cuntinental operations, the Chosen Governor-General decided on June 23, 1933 to transfer the following three railways, in North Korea, into the control of the South Manchurian Railway Administration:—

(1)	Seichin-Sanho	134 kilometers
(2)	Sanho-Yuki	180 kilometers
(3)	Yuki-Shinkelin	11 kilometers

In the field of air routes, the Japanese Aerial Transportation Company has established the following lines:

(1) From Tokyo to Dairen, via Osaka and Seoul.
(2) From Tokyo to Sakhalin, via Hokkaido. This line constitutes a serious menace to the rear of the Soviet Union's Far Eastern Frontiers in the event of war.

Following the establishment of the puppet "Manchkuuo" in March 1932, the Manchurian Aviation Company was jointly organized by the Japanese and "Manchukuo" authorities— ostensibly for commercial purposes but auctally for military service. The Japanese government has appropriated large annual subsidies for the upkeep of this undertaking. The following six air routes of this company are in close cooperation with the lines of the Japanese Aerial Transportation Company, forming a network of air lines between Japan and Manchuria:—

(1) Shingishu-Mukden-Changchun-Harbin-Tsitsihar
(2) Dairen-Mukden
(3) Changchun-Tunhwa-Lungchingtsun
(4) Harbin-Ninguta
(5) Harbin-Fuchin
(6) Harbin-Keshan-Tsitsihar

The following proposed lines will also be operated in the near future:—

(1) Tsitsihar-Hailar-Manchuli
(2) Tsitsihar-Heiho
(3) Changchun-Lungchingtsun-Hanan (North Korea)
(4) Mukden-Chinchow-Shenteh; or Chnagchun-Kailu-Chifeng-Shenteh

In addition, there is also established in Manchuria the "Telegraph and Telephone Kabushiki Kaisha"—another "joint" undertaking, with Yen 500,000 of Japanese capital.

(b) *Supply of Munitions:*

After occupation of Manchuria in 1931, Japan has made elaborate preparations to provide an abundant supply of munitions. The armament industry shows great activity, despite acute depression and failures in other lines of business. The effort made by Japan in amplifying the supply of munitions is shown by the following undertakings:—

(1) *New Japanese Undertakings in Manchuria*

The Mukden Arsenal Kaisha
The Chowa Iron Works
The Aluminum Works
The Manchuria Chemical Works
The Manchuria Cement Works
The Konota Cement Works
The Special Industrial Generating House
The Automobile Manufacturing Kaisha
The Caustic Soda Works
The Oil and Fat Kaisha
The Petroleum Kaisha
The Gasolinae Kaisha
The Flour Mills
The Paper Manufacturing Kaisha

(2) *New "Manchukuo" Undertakings in Manchuria*

The "Manchukuo" Central Bank
The Lottery Tickets Establishment
The Special (Bond) Bank
The Postal Service
The Weight and Measurement Manufacturing Company
Others

(To be Continued)

The Settlement of the Revolt in Fukien

BY WANG CHING WEI
President of the Executive Yuan
(in the People's Tribune)

DURING the past two years the National Government has judiciously avoided the recrudescene of civil war in the country. In adjudicating local disputes, it has consistently pursued a policy of tolerance, realizing as it does the absolute necessity of unity among the ranks of the Party and the State for the salvation of the nation from extinction. Thus, during these two years the Government has used military force only for the purpose of suppressing the Communist bandits, who are working for the overthrow of the State, and who can therefore hardly be expected to co-operate in the work of national salvation. During the Sino-Japanese hostilities at Shanghai, for instance, when the Government despatched part of the forces in Kiangsi to Shanghai, the Communist bandits immediately took advantage of the situation and attacked Kungchow. Later, when the Government despatched part of the Kiangsi forces to assist the North-China forces in the resistance against the Japanese, the Communist bandits did not hesitate to take advantage of the situation again and attack Nanchang. These two incidents convinced the entire nation of the absolute necessity of suppressing the Communist bandits before the work of national salvation could be taken in hand.

Working for the Overthrow of the State

Of late, however, Chen Ming-Shu and Li Chi-Shen have come out in open revolt against the Party and the State. Like the Communist bandits they are also working for the overthrow of the State. They have therefore allied themselves with the Communist bandits, although it would be more appropriate to say that they have surrendered to the Communist bandits. The Government must therefore adopt the same measures for the suppression of the revolt in Fukien as it has adopted for the suppression of the Communtst banditry.

Just at this moment, however, some people are advocating a peaceful solution of the Fukien crisis. By this so-called peaceful solution is meant, firstly, the abolition of the bogus government in Fukien and secondly, the retirement of certain leaders in the Central Government. Here, however, it may be asked why Chen and Li started the present revolt? If they were dissatisffed with the policy or personnel of the Central Government, why then did they abolish the name of the Republic of China as well as the Kuo-Min Tang of China? A peaceful solution of the crisis is therefore impracticable from the standpoint of the rebels, and dangerous from the Central authorities. For while the rebels are working for the overthrow of the Party and State, the Central authorities are upholding the latter. The adoption of peaceful means for the solution of the crisis will therefore only lead to the realization of the subversive designs of the insurgents. Once the Central Government is overthrown, the work of protecting and defending the Party and the State will simultaneously be abandoned.

In short, the rebels Chen and Li can never co-exist with the Party and the State. No measures except resort to arms can effectively solve the problem. Those who realize the necessity of suppressing the Communist bandits and the rebels in Fukien—if the work of national salvation is to be accomplished— will of course not disagree with the policies of the Central Government in this regard.

Let us now turn to the question why the 19th Route Army has allowed itself to be utilized by the rebels Chen and Li for the enforcement of their subversive designs. The 19th Route Army, it will be recalled. was part of the Revolutionary Army in the 14th Year of the Republic (1925). It was also part of the Northern Punitive Forces in the 15th Year (1926). The rank and file of this army has moreover exerted themselves in the suppression of the Communist bandits and the resistance against Japanese aggression. Recently, they have been ordered to assist on the eastern route of the Bandit-suppression forces so as to effect an enveloping movement on the bandits from four directions. Have they turned against the Government because of the personal influence of Chen and Li? If so. then should Chen and Li later propose to restore the monarchy, would the army also support the movement? We must therefore find out the causes underlying the revolt of the 19th Route Army.

Due to the vast extent of our national territory and the lack of communication facilities, it has been difficult to centralize control over the military system, military forces have often been employed by a few uncrupulous leaders for the realization of their personal smbitions. Our military forces may use the "Blue-Sky and White-Sun" Banner ro-day; they may use the "Red-and-Blue Background and Yellow Star" Flag tomorrow, and become the tools of the Communist bandits. If this state of affairs be not rectified immediately, the task of national salvation will be rendered extremely difficult. We must therefore particular attention to this phase of the problem.

If we pay no attention to this problem and go blindly to talk about the improvement or reforms in politics, we shall simply get nowhere. Some are advocating the emancipation of political rights, that is, the early conclusion of the Period of Educative Government, or Political Tutelage, and the inauguration of Constitutionalism. Others are advocating the maintenance of Party rule. As a matter of fact, however, there need not be any controversy about this question, since this has already been clearly solved for us by our late Party Leader Dr. Sun Yat-sen. According to Dr. Sun, the period of educative government is an indispensable stage in the program of the National Revolution. Without this stage, it will be impossible to concentrate authority for the reconstruction of the country. At the same time however, he pointed out the difference between educative government and autocracy. While autocracy aims at despotism, educative government aims at democracy. Party rule is therefore the only means of bringing the National Revolution to a successful conclusion. In this connection, however, the question of personal armies is of paramount importance. For so long as personal armies are not abolished, it will not only be impossible for us to realize Constitutionalism but also futile to rule the nation by a system of political tutelage.

It is not necessary for me to explain further why it will be impossible for us to realize Constitutionalism so long as the system of personal armies is not abolished. But why do I also say that it will be impossiple for us to realize educative government if the question of personal armies is not solved?

Some people are inclined to believe that Fascism, as adopted by Italy, may solve our present national difficulties. Before the Fascist March on Rome, Italy had an army of four millions, of whom 650,000 had been killed, 450,000 maimed for life, and over one million wounded. The Fascist army which entered Rome, however, according to opponents of Fascism, numbered only 10,000 men. According to Mussolini himself, the Black Shirts who occupied Rome were only 60,000. During the Fascist march on Rome, the armies of the Government refused to obey the orders of the authorities for the defence of the Capital, with the result that the Government was overthrown by the Fascists, and Mussolini was commissioned to organize a Cabinet in order that he might have an opportunity to enforce his Fascist principles. From this we can see that Italian military forces were at that time used solely for the purpose of national defence against foreign aggression, and the domestic policies of the Italian Government were determined by the wishes of the Italian people. Before the rise of the Fascist Party to power, the various Italian factories were occupied by agents of the Communist Party, who created a number of disturbances and thereby alienated the sympathy of the Italian people. Moreover, the then Italian Government pursued a week-kneed policy vis-a-vis the Communist Party, so that when Mussolini led his Black Shirts to enter Rome, the military forces of the Italian Government, who were men of intelligencr, did nothing to check their march. Had the latter taken effective measures to block the advance of the Fascists, Italy would have been divided into two camps, one favoring Mussolini and the other against him, and civil war would have been inevitable. In that case, how could the Fascists have entered Rome so easily? Fur this reason, it is no exaggeration to say that so long as the system of personal armies is not abolished, not only will it be impossible for us to realize Constitutional Government, but it will also be impossible to enforce a system of educative government.

The Fundamental Solution

The fundamental solution of our national diffieulties lies in the improvement of our national military system. The military system must be reformed in a number of respects, the military forces must be well-trained, and personal armies must be abolished, so that our military forces may be consolidated into a genuine National Revolutionary Army. Besides this, we must also increase the power of the people. This can be done by developing the economic power of the people. This can be done by developing their economic power. According to modern political thought, national existence depends on the economic self-sufficiency of a given State. With the development of the economic power of the people, the latter will not only be able to gain more political power but will also be able to effectively check the various personal armies, which will thus be automatically abolished. The fundamental solution of the national ills can be effected not alone by force of arms but must be by the development of the productive power of the people.

Since November and December last, when the rebels Chen and Li startsd their subversive actiaities in Fukien, all members of the Kuo-Min Tang have been suffering extreme mental distress. Out of our bitter experience however, there has been born a renewed realization of the necessity of close co-operation among the ranks of the Party, a clear idea of the principles of the Kuo-Min Tang, and the determination to enforce these principles, so that a firmer foundation of our National Revolution may thereby be laid.

Nanking, January 8, 1934.

Appeal by Mrs. Sun Yat-sen for Release of Noulens Pair

Soong Ching-ling (Mrs. Sun Yat-sen) sent the following wire in identic copies to Wang Ching-wei, president of the Executive Yuan, and Chu Cheng, president of the Judicial Yuan on the night of Jan. 12.

"You are deliberately permitting Paul and Gertrude Ruegg to starve to death, without so much as even deigning to give notice to their demands for a re-trial and our demands for their freedom. After 24 days of hunger strike Paul Ruegg is on the brink of death and his wife has been given another week to live. There has been ample time for the government authorities to take action, to grant their demand for a re-trial or to issue orders for their release. *There is still time.*

"If you do not immediately take action to bring this strike to an end by meeting the demands of the prisoners, revolutionary and liberal opinion around the world will read of the death of the Rueggs as a Kuomintang murder, another murder in a long toll which can find its counterpart only in the barbarous brutalties of Hitlerism in Germany. There is still time to save their lives. The responsibility rests in your hands."

"SOONG CHING-LING."

Noulens Pair Ends "Fast Unto Death" at Nanking

The "fast unto death" of Mr. and Mrs. Paul Noulens was broken Jan. 14, when they gave up their strike and started to take nourishment. They were both taken to the Central Hospital in Nanking for medical attention in view of their weak condition as the result of their long fast. Paul Noulens had been 25 days without food, while his wife was on the 17th day of the fast.

It is stated that the Noulens pair ended their hunger strike upon the persuasion of the physician attending them.

Netherlands Navy to Be Reduced By Half

The Netherlands Navy will be totally reorganized and reduced by half if the scheme presented to the Queen by the Royal Commission is carried out by the government, a recent dispatch from the Hague stated. Of the three bases, Amsterdam, Flushing and Helder, only the latter will be retained, further the corps of Netherlands marines will be dissolved and the professional navy reduced by half, while all obsolete material will be broken up.

Italian Politicians, Like Others, Play on People's Prejudices

The report of the parliamentary committee on the Italian naval budget contains the following:—"The Japanese nation in advancing not only owing to the strength of arms but still more because of the strength of its belief in the mission assigned to it. To-day Japan invades China—she will organize her. By furthering the inter-racial hatred, she will to-morrow fight the white people."

NOTE BY THE EDITOR.—The above is an excellent example of how politicians play on prejudice to raise money for armaments. Japan long ago fought whites—at the behest of other whites. Nations in these days fight for material interests, regardless of the color of the people's faces or the shape of ther noses. If color meant anything in international politics, China and Japan would be the best of friends. As a matter of fact they have been at almost continual loggerheads for decades.

Real Estate Review of the Eastern District by Realty Investment Company

The largest building project for the week is in the Eastern District and concerns industry. Plans have been approved for a large weaving mill on Poyang Road near the intersection of Point Road. Often concern is expressed for fear the city overbuild in dwellings and of course it is common knowledge that people not only need a place to live, but even more they need a place to work; so it is well to see a balance being maintained between housing and industry. The Eastern district is already the industrial section and to see new factory buildings being built in this district meets with approval, and it is to be hoped that in the future planning for gaeater Shanghai, that there shall be better zoning of industrial and residential areas. To have such areas, of course, it is quickly seen that the city needs better transportation that shall be city wide.

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Gen. Sun Tien-ying's Forces Clash With Ninghsia Troops

The military situation in the north-west has become tense again by the forced march of the troops of Gen. Sun Tien-ying, Commander of the 41st Army and Reclamation Commissioner in Western Chinghai (Kokonor), into Chinghai through Ninghsia province. Gen. Sun has about 50,000 men under his command, 30,000 of which are now moving rapidly westward in the direction of Ninghsia. Gen. Ma Hung-kwei, Chairman of Ninghsia, has concentrated about 10,000 men on the Ninghsia-Suiyuan border to resist the advance of Gen. Sun's forces.

According to reports from Peiping on Jan. 14, fighting suddenly broke out on the previous day between the Ninghsia troops and the forces under General Sun, when armies of the latter occupied Tengkow, an important city, north of Ninghsia provincial capital. General Sun's men continued to advance forward following their occupation of Tengkow and fighting is now going on near Shihtsuitse, midway between Tengkow and Ninghsia. Upon receipt of information about the clashes at Peiping, General Ho Ying-chin, chairman of the Peiping Branch Military Affairs Commission, wired to both parties ordering the immediate cessation of hostilities pending an amicable settlement of the dispute. General Ma Hung-kwei has now massed three brigades of his picked forces between Shihtsuitse and the provincial capital to make a last stand against the 30,000 men of General Sun.

According to a report submitted to General Ho Ying-chin by General Sun, the Ninghsia forces opened fire when Suu's men passed Tengkow on Jan. 13. General Sun is reported to have taken prisoner all the officials of the city government of Tengkow, except the magistrate who managed to escape, to have closed party organs and to have held the wealthy merchants for ransom, while his troops looted the town.

The hostilities threatened to assume major proportions when two divisions of Kansu troops were rushed to Ninghsia under the order of General Chu Shao-liang, chairman of Kansu in an effort to prevent General Sun's regulars from entering the province.

The latest advice from Nighsia indicates that fighting is still going on outside Shihtsuitse, a point about 100 miles from the Ninghsia provincial capital. Representatives of General Sun claimed that Shihtsuitse has already fallen at Peiping to the hands of General Sun's men but the report has not yet been confirmed. Unconfirmed reports also have it that the Shansi and Suiyuan armies are backing up General Sun's troops in their plan to battle their way through Ninghsia to Chinghai.

Admiral Yang Shu-chuang Dies Here After Protracted Illness

The death occurred in Shanghai on Jan. 10 of Admiral Yang Shu-chuang, a former Minister of Navy and Chairman of Fukien Provincial Government, after a long protracted illness due to lung disorders. He was 52 years old.

Funneral services for the late Admiral were held on Jan. 14 at the International Funeral Directors and were attended by many friends and relatives of the deceased family, including a large number of Government officials. Admiral Yang is survived by a wife, a son and two daughters. His son, Yang Hung, is 16 years old and is now studying in England.

Born at Foochow, Fukien in 1882, Admiral Yang began his naval career after his graduation from the Kiangnan Arsenal College at Shanghai, when he became captain of the warship Fei Ying in 1914. When the Nationalist Revolutionary Forces captured the Yangtsze Valley in 1926, he joined the Northern Punitive Expedition and rendered meritorious services to the Revolution. After the establishment of the Nationalist Government in Nanking, he was appointed Commander-in-Chief of the Nationalist Navy and concurrently member of the State Council and of the Central Political Council and of the Military Council in 1927. In 1928, he was made Chairman of the Fukien provincial government and concurrently Minister oft he Navy, from which positions he resigned on account of ill-health in 1932.

Gen. Ma Chung-ying's Defeat in Sinkiang Confirmed

The report that the Mohammedan troops under Gen. Ma Chung-ying had been badly defeated by the Sinkiang provincial forces under Gen. Sheng Shih-tsai has been confirmed in official circles at Nanking. It is said that, during the decisive battle fought near Tihua late last December, most of the Mohammedan troops were routed and Gen. Ma himself was wounded. Ma's ally, Gen. Chang Pei-yuan, who was to launch an attack against Tihua, withdrew to Ili on learning of Ma's defeat. The natives of southern Sinkiang have surrendered to the Sinkiang provincial government and they have agreed to suppress Gen. Chang's forces in northern Sinkiang. With the suspension of warfare in Sinkiang, the air service between Shanghai and Tihua is expected to be resumed shortly.

A further report stated the Sinkiang provincial troops under Gen. Shen Shih-tsai have captured Ili without much fighting. Gen. Sheng is returning to Tihua from the front shortly. The provincial army is having the Sinkiang situation well in hand with Turfan in their control. The remnants of Gen. Ma's Mohammedan troops have already been withdrawn to Hami. The situation in southern Sinkiang is also rapidly settling down and the provincial authorities are now attending to the rehabilitation in that part of the province. Gen. Chang Pei-yuan, garrison commander of Ili in northern Sinkiang, and an ally of Gen. Ma, was assassinated by his followers during a mutiny at Ili early this month. Gen. Sheng Shih-tsai in reporting this affair to the Government said that Gen. Chang was fleeing from Ili when he was shot and killed by snipers. After the death of Gen. Chang, Gen. Sheng stated, all the troops under the rebel leader surrendered to the Sinkiang Provincial Government.

Dr. Kiang Kang-hu of McGill University Arrested at Nanking

Dr. Kan Kang-fu, noted Chinese scholar and professor of McGill University, Canada, was arrested by military authorities in Nanking on Jan. 11 on charges of being affiliated with the so-called Social Democratic party engineering the revolt in Fukien. His arrest occurred a few hours after he came home from a dinner party given in his honor by Wang Ching-wei, President of the Executive Yuan. According to Chinese advices from Nanking, the authorities are conducting a thorough investigation into the charges, which, while described as not serious, will cause him to remain in custody for a few days.

Governor of Indo-China Burned to Death in Airplane Crash

The French air-liner *Emeraude* crashed at Corbigny, on the Yonne river, Jan. 15 and burst into flames. The machine, was nearing the end of its journey from Indo-China. All the 10 occupants, including Pasquier, the Governor-General of French Indo-China, were trapped in the blazing machine and burned to death.

Germany Will Soon Have Air Force Equal to That of France

Air armaments of Germany will equal, on May 1 next, those of France. The air building program of the German Government is said to include 294 new planes. These bombing planes can release their missiles by means of a special electre-magnetic device and can be put into service within four months. By that time, Germany according to present inducations, would have an air force of 2,100 machines.

U. S. Planes Set New Massed Flight Record

The six American naval flying-boats which left San Francisco Jan. 10 on a non-stop flight, landed safely in Pearl Harbor, Honolulu Jan. 11, after having achieved the longest non-stop massed flight ever accomplished. The distance is 2,098 miles. Lieut-Commander K. McGinnie, was accompanied by five other officers and 22 ratings. During their journey the machines were in constant communication with points ashore and ships at sea.

A regular air passenger service between Japan and Formosa is expected to be established sometime during the early part of next year, according to the Japanese Ministries of Overseas Affairs and Communications.

Record Export of Planes from Britain

The success of British aircraft in foreign markets was referred to by the chairmen of two constucting companies, at their ordinary general meetings in London Dec 31. At the Fairey Aviation Co. meeting, it was stated that a record export trade had been done during the year. At the De Havilland Aircraft Co. meeting, it was announced that their "Dragon" type of airplane had been sold in eleven different countries outside the British Isles, though it was not put on the market until this year.

Mongolian and Tibetan Affairs Commission to Be Abolished

According to a *Shun Pao* telegram from Nanking on Jan. 11, the Mongolian and Tibetan Affairs Commission will be abolished shortly because of its inefficiency in dealing with the situation in both Mongolia and Tibet. In its stead, a Mongolian and Tibetan Affairs Bureau will be established to take charge of the work undone by the Commission. It will be placed uuder the control of the Ministry of Interior with Minister Huang Shao-hsiung as director.

Accompanied by a number of bodyguards, the Panchen Lama, Living Buddha of Tibet, left Pailingmiao on Jan. 13 en route to Nanking to attend the Fourth Plenary Session of the C.E.C. to be opened on January 20. The Living Buddha arrived at Kweihwa on Jan. 16, where he conferred with General Fu Tso-yi,chairman of Suiyuan.

India, Under New Agreement, Lowers Duties on Japanese Goods

The salient features of the agreement reached at the plenary session of the Indo-Japanese conference at New Delhi are: (1) the application of the most-favored nation clause, (2) a reduction of customs duty on the Japanese cotton goods, (3) the fixing of the percentage of the quota for the Japanese cotton goods and the Indian raw cotton to be purchased, (4) the calling off of the boycott on Indian raw cotton, (5) measures dealing with the fluctuation in exchange rates. The Indian duties on Japanese cotton sheetings and other cotton textiles have been reduced from 75 per cent to 50 percent.

A recent Tokyo message stated that the idea of exchanging high ranking emissaries between Japan and India with a view to promoting the closer political and economic relationship between the two countries, which has been long cherished by responsible quarters in India, has been supported with renewed ardor with the conclusion of the new Indo-Japanese commercial agreement. While this idea is received with approval in Japan, the Foreign Office is stated to be approaching the suggestion with utmost caution lest such exchange of accredited envoys might invite undue suspicions from British Government circles.

Trade War Will Continue—Lancashire and Indian Millowners Dissatisfied

A special meeting of the Manchester Chamber of Commerce is to take place on January 29 to consider more vigorous opposition to Japanese cotton competition. The special committee on this competition has issued a statement saying that Indian millowners and Lancashire cotton interests both feel that the Indian Government has been more generous than circumstances really warrant in its treatment of Japan, especially in the reduction of the duties on Japanese goods, while the quota is considered to be the result of too much influence being exercised by the abnormal conditions of the last year or two.

Japanese Also Dissatisfied

Shingo Tsuda, president of the Kanegafuchi Spinning Company, in an article contributed to the *Kobe Shimbun*, recently hurled scathing criticism against the Government for its attitude at the Indo-Japanese Conference. He declared that, with the Government fearful of Britain, Japanese spinners must abandon their overseas market. Japan last year exported over 640,000,000 yards of cotton cloth to India, but as a result of the new agreement there are dangers of this being reduced to 200,000,000 yards. This fall is equivalent to approximately 20 per cent of Japan's entire cotton exports. He argues that at the coming Anglo-Japanese and Dutch-Japanese Conferences Japan is likely to lose another ten per cent at each. A forty per cent fall in the cotton trade means a loss of Yen 120,000,000 and this will deal a serious blow to the trade balance of the country, Mr. Tsudo declared.

Admittedly the new agreement enables Japan to export 400,000,000 yards to India, but in reciprocation, Japan must import 1,500,000 bales of Indian raw cotton. As an average for the past ten years, 1,500,000 bales of Indian cotton may not be unreasonable, but when the value of Indian cotton, as last year, is higher than American, this purchase may be difficult. Last years's purchase was only 840,000 bales. On the assumption that Japan takes 1,300,000 bales a year, the maximum quota of Japanese cotton cloth will be 360,000,000 to 370,000,000 yards.

Chinese View Demand for Wolfram as an Omen of War

The steady rise in the price of wolfram is seen by the Cantonese press as a sure sign of the approach of a second World War. Commenting on the present brisk demand by the European powers for wolfram ore from China, the papers in the south express the opinion that the demand for the metal, which is used for the construction of warships and manufacture of arms and ammunition, is a direct result of the armament race which has been started following the collapse of the Disarmament Conference.

China's wolfram ore is obtained from the mines in Kiangsi and Kwangtung (the North River district) with Hankow and Canton respectively as distributing centeres.

German Who Insulted Chinese Sentenced to Six Months Imprisonment

A German was sentenced in Berlin, Jan. 12, to six months' imprisonment for having insulted a Chinese merchant in a Dusseldorf restaurant by calling him "a Kaffir" and "a dirty Jap." The merchant pleaded leniency, but the Court decided to make an example of the abusive German so that all foreigners should be shown politeness.

HOW MANY QUARTS OF BLOOD HAVE YOU?

Very few outside of the medical profession could give the correct answer to that question. Ask your friends and see how far they are from being right. Here is the correct answer:—The average size adult in normal health has five quarts of blood, which amount to about one-twentieth of the body's weight.

In this bright red fluid, red corpuscles float to the number of 25 million million, each corpuscle so tiny it can only be seen through a microscope.

The purpose of these red corpuscles is to act as rafts for carrying a marvellous substance, called haemoglobin, throughout the entire blood stream. This haemoglobin in turn carries life-giving oxygen from the lungs to the body. It also brings to the body cells nutriment and iron from the food digested in the intestines. Next to oxygen, iron is probably the most important element in the life of a human being.

What Happens When Your Blood Count is Low

Unless you have the normal number of red blood corpuscles and the normal amount of haemoglobin in your blood, your body cells are deprived of their normal supplies of oxygen, iron and nutriment and your health suffers. You become weakened and run-down, lacking strength and energy.

Scientists and physicians can tell how much haemoglobin there is in your blood and your number of red blood corpuscles by testing a drop or two of it under powerful microscopes and lights. The normal male adult has a count of 5,000,000 red blood corpuscles to the cubic millimeter of blood, the female 4,800,000. The normal haemoglobin is 95% to 100% in the male and 90% to 95% in the female.

Blood tests can also be used to tell the value of any prescription or preparation for run-down, thin-blood, anaemic conditions which require the number of red blood corpuscles to be increased and the haemoglobin in the blood built up.

A Clinical Test of II People

Recently a leading physician selected a group of eleven run-down, thin-blooded, anaemic people whose blood tested below normal and gave them, with their consent, a month's treatment with Dr. Williams' Pink Pills. The formula of this 50-year-old prescription was known to the physician and he judged it to be an excellent one for the purpose.

In every case where the blood count was below normal Dr. Williams' Pink Pills increased the number of red blood corpuscles. For example:—

One person increased the blood count from 3,700,000 red blood corpuscles to 5,408,000. Another from 2,688,000 to 4,302,000. Another from 3,584,000 to 4,960,000. Another from 4,000,000 to 4,640,000.

Equally impressive were the results in building haemoglobin, some of the patients showing gains as high as 20%, 22% and 24% in the short time of one month. Ten per cent. is considered a good gain in this time.

Energy and Strength of Patients Increased

Naturally the patients also increased their vigor, energy and strength, because of the increased amounts of oxygen, iron and nutriment reaching their body cells due to the increase in red blood corpuscles and haemoglobin. They felt more like working, more like eating, more like doing things and having a good time. The records of these "blood tests" with this group, including the patients' names, are on file.

Run-down People Can Obtain this Preparation and Take It At Home

Most people know whether they need a blood-builder without having a blood test made. Poor appetite, tired-out feeling, lack of strength, pale complexion, nervousness, heart palpitation are all symptoms of a run-down, thin-blood, anaemic condition—good reasons for starting on a course of Dr. Williams' Pink Pills without delay. They are obtainable from chemists everywhere.

In most cases, a 30-day treatment will be all that is necessary. If not, the improvement will be so marked—you will feel so much peppier, stronger, more vigorous—that you will need no urging to continue the treatment until completely restored to normal health.

But This Will Not Stop Either the News or the Views

Changchun, Jan. 15—(*Rengo.*) The Manchukuo Ministry for Foreign Affairs on January 13 instructed the passport vise office at Dairen to refuse to vise the passport of J. B. Powell, proprietor-editor of the *China Weekly Review* of Shanghai, it is reliably reported. It is alleged in Manchukuo official circles that Mr. Powell is still continuing deliberate anti-Japanese and anti-Manchukuo propaganda through his magazine and an American paper of which he is a correspondent.

*** Mr. Powell departed from Shanghai for Dairen last week, as correspondent for the *Chicago Tribune*, to cover the events incidental to the coronation of Henry Pu Yi as emperor, for said paper. Curiously enough, a representative of a Shanghai Japanese daily newspaper sent him a letter (too late to reach him before his departure) asking for an interview—in which Mr. Powell was to give his views concerning the Pu Yi coronation.

Chang Hsueh-liang Advised to Recover Manchuria

The *Shun Pao* comments:—"Although there are many persons responsible for the loss of Manchuria, Marshal Chang Hsuen-liang, as the leader of the North-eastern group, should be at the head of the black-list. He resigned because his conscience demanded his exit, knowing that he himself was responsible for all that had happened in Manchuria. The feeling of the Chinese people against him was bitter and, no doubt, Chinese overseas were even more resentful. Marshal Chang has spent eight months in Europe during which there must have been numerous occasions for him to meet Chinese there. No doubt he must have been impressed by their advice to return to China and serve his country. We are glad to know that Marshal Chang has at last realized the danger facing China in case of a world war and that he has made a comprehensive study of the situation in Europe. We believe he was much impressed by the way the Europeans govern their countries, none of which is as big as China. We are thankful that this trip has done the Marshal some good, but we regret that he did not take it sooner. There are several points which we wish to call to the attention of Marshal Chang, now that he has returned to China. In the first place, he still commands supreme influence in North China, although he has resigned his military post. He is the only man who knows the situation in Manchuria well. As Manchuria was lost through his unpreparedness, he should now make it his duty to recover that territory, no matter how long it will take."

⁂

C. E. R. Sale Negotiations May Shortly Be Resumed

There are indications that the C. E. R. sale negotiations, which have been deadlocked because of disagreements, may be resumed between Soviet Russia and Manchukuo in the near futuret not in Japan, but in Harbin. The expected release of six Soviet employes of the C. E. R. now under detention by the Manchukuo authorities, which has been persistently demanded by Russian authorities, may remove one of the obstacles to the resumption of the parley.

It is reported from Changchun that the Assistant Minister, for Foreign Affairs in the Manchukuo Government, Mr. Ohashi, a Japanese, intends to tender his resignation. On behalf of Manchukuo, Mr. Ohashi had been conducting the negotiations at Tokyo in connection with the sale of the Chinese Eastern Railway. It is believed that he feels disappointed because the parleys are in abeyance and no progress was made before their suspension.

Threatened C. E. R. Suspension Averted by Mutual Coal Agreement

The threatened suspension of services on the Chinese Eastern Railway has been averted by an agreement reached between Manchukuo and Soviet officials of the railway for the immediate purchase of 30,000,000 tons of coal and for the delivery of another 30,000 tons during the course of the next 12 months. The coal will come from Manchukuo collieries, but the Soviet will fulfil its contract to supply 58,000 tons of coal from the Suchan mines in the Maritime Province.

Kwantung Army to Encourage Japanese Immigration to Manchuria

The headquarters in Changchun of the Kwantung Army (Japanese) have issued a statement refuting a press dispatch that the Tokyo and Kwantung Army authorities have agreed to restrict mass immigration of Japanese into Manchuria for the next three years. "On the contrary," the statement declares, "the Kwantung Army is planning to encourage a greater immigration into Manchuria of Japanese settlers. The authorities are even now engaged in selecting suitable sites for such settlers along the Changchun-Tumen and the Lafa-Harbin railway lines (recently completed) in addition to the suburbs of Harbin."

Wholesale Kidnapping in Manchuria

A wholesale kidnapping plot was carried out near Chiashenkou Jan. 15, when a score of armed bandits swooped down on a public bus and carried off the passengers. Thirty Japanese policemen were hurried to the scene but found only the empty bus. Turned-up ground indicated that some of the passengers offered resistance. The kindnapping took place at a lonely spot near Chiashenkou on the road between Antung and Tahusan, in Fengtien Province. Most of the victims are reported to be Japanese and "Manchus."

Fushun Coal Mines Report Huge Output in 1933

The Fushun coal mines, lying thirty miles east of Mukden and owned and operated by the South Manchuria Railway, mined approximately 7,000,000 tons of coal last year, of which 2,300,000 were shipped to Japan and 2,000.000 tons consumed locally, apart from a million tons used by the railway. The balance was used for bunkers or exported. The Fushun mine is the largest open-cut mine in the world.

Asahi Urges Strengthening of Present Relations with Manchukuo

The *Osaka Asahi* urges that Japan should make it her objective in the new year to put Manchukuo in perfect order.

The Osaka journal says that Manchukuo was established in acordance with the collective will of the 30,000,000 people of that country, but it will be difficult to put the new State on a stable and perfect basis, unless Japan's policy of aiding it is futher strengthened. The misguided opinion of the League of Nations once threatened to shatter the hopes of the 30,000,000 people of Manchukuo to establish a happy land, where peace and justice prevail, but the crisis was averted by the firm attitude adopted by Japan. This cost Japan her membership of the League, and she has since been pursuing a diplomacy all her own. In such circumstances, it must form the nucleus of Japan's foreign policy to perfect Manchukuo. By helping Manchukuo's development Japan can be absolved of her grave responsibility for the establishment of the new State, the *Asahi* says.

Soviet-Japanese Fishery Dispute Again Flares Up

According to the Japanese Consul-General at Vladivostok, the Soviet State Bank in that port has suddenly intimated to representatives of the Japanese fishing interests that the rent for the fishing grounds for the new year should be paid at a rate of 75 sen per rouble. The fishing representatives protested on the ground that this intimation is unwarranted, but the Bank authorities refused to listen to their protest, saying that it is a Government order.

⁂

Peiping Asks for Instruction Re Manchurian Situation

The Peiping authorities are naturally worried over the forthcoming enthronement of Henry Pu Yi in Manchuria. They are discussing the matter daily. The *Shun Pao* says that General Huang Fu and Ho Ying-ching have already telegraphed to the Government at Nanking reporting on conditions in North China and asking for instructions in dealing with the situation.

S.M.R. President Admits Opposition to Reorganization Plan Is Very Strong

Count Hayashi, President of the South Manchuria Railway Company, who recently left Tokyo for his post, is quoted as expressing the view that the measure for the reorganization of his Company will not be laid before the present session of the Diet. During his stay in Tokyo, he reported to the various Ministers concerned about the reorganization scheme, while listening to their views. General Araki, Minister for War, he found, is acting with special circumspection in the matter. He recognizes the need of most careful study before embarking on the plan. Mr. Takahashi, the Finance Minister, is directing special attention to the question of raising the necessary funds for the Company; he is not disposed to favor any reorganization scheme which renders the collection of funds difficult. At any rate, Count Hayashi says, the whole matter is now in the hands of the Tokyo authorities, who may be expected to deal with it in the manner best suited to the needs of the occasion. He has learned that the reorganization idea has many opponents in financial circles.

Who's Who in China

Cheng Lieh, judicial official; born at Foochow, Fukien, 1888; studied in Japan for eight years and was graduated from the Law School of Tokyo Imperial University; assisted in the formation of the Tung-Ming-Hui (predecessor of Kuomintang) in Japan and organized with the late Lin Wen the 14th Branch Headquarters of the organ in Fukien; participated in the revolutionary uprising in Canton, 1911 and when Mr. Lin fell in the famous historic battle of Huanghuakang (Canton), he succeeded him as Director of the Fukien Branch Headquarters; in Sept. 1911, he participated in the Revolution in Fukien and after the overthrow of the Manchu Government officials in that province, he was elected Minister of Justice in Fukien Revolutionary Government; in 1913, he served successively as Department Director in the Ministry of Justice of Peking Government, Director of Judicial Administration Preparatory Bureau, President of a law college, etc; was ordered to be arrested by the Yuan Shih-kai Government for participation in the Second Revolution against Yuan; appointed Chief Procurator of Yunnan High Court, 1915; transferred as judge and later acting Division Judge in the High Court of Kiangsu, 1916; went to Canton in 1921 and was appointed by the late Dr. Sun Yat-sen as Division Judge in the Supreme Court and the Administrative Court in Canton Revolutionary Government; shortly after, was transferred to Kwangsi as President of Kwangsi High Court; in 1922, when the Revolutionary Forces entered Fukien, he was appointed President of the Fukien High Court; appointed Chief Procurator of the Supreme Court of the National Government, Dec. 1928 which post he has since retained; address: Procuratorate, Supreme Court, Nanking.

Cheng Lieh
鄭烈字曉雲

鄭烈字曉雲，現年四十五歲，福州市人，日本大學法科畢業，計留學日本八年，乙巳年參與發起同盟會並與烈士林文等組成第十四（即福建）支部，參與辛亥黃花岡之役，繼林文烈士爲第十四支部長，撰成黃花岡就義烈士傳記十篇，同年九月參與光復福建，被推任福建司法部長，元二年間歷任司法司長司法籌備處長稽勳局長法政校長等職，因參與二次革命被通緝，四年任雲南檢察長，五年任江蘇高等審判廳推事，旋代庭長，十年赴粵參加護法奉孫總理任爲大理院兼平政院庭長，仍兼理該兩院院務，嗣調廣西高等審判廳長，十一年革命軍入閩，任福建高等審判廳長，十七年十一月奉國府簡爲最高法院檢察署檢察長，敘列簡任，第一級，計任該職已逾五年，

Settlement of the Kweichow Situation

Generals Pai Chung-hsi and Li Tsung-jen have offered to mediate in the Kweichow civil war which has been raging in that province for many months. It is understood that proposals have been made that Gen. Wang Chia-lieh, Chairman of Kweichow, should hand over administrative power in the province to Gen. Mao Kwang-hsiang, his predecessor, while he himself retains all military power. If this arrangement comes into effect, it is probable that Gen. Mao Kwang-hsiang will be appointed Chairman of Kweichow.

In the United States Court for China

In re.
LAST WILL AND TESTAMENT
of
BENJAMIN LUCIUS ANCELL
Deceased

Cause No. 3617
Special Proceedings No. 938
NOTICE
Filed at Shanghai, China, December 28, 1933.
William T. Collins, Clerk.
L. T. Kenake, Asst. Clerk.

Pursuant to an Order of said Court notice is hereby given to all persons having claims against the estate of BENJAMIN LUCIUS ANCELL, deceased, to present the same with vouchers to the undersigned on or before July 6, 1934, and all persons owing debts to said deceased are hereby notified to make payments of the same in due course to the undersigned.

CAMERON F. McRAE,
c/o of M. P. Walker,
20 Ming Hong Road,
Shanghai, China.

Shanghai, China,
December 29, 1933.

In the United States Court for China

In re. Estate
of
GERALD KILES,
Deceased

Cause No. 3621
Special Proceedings No. 939
NOTICE

Pursuant to an Order of said Court notice is hereby given to all persons having claims against the estate of GERALD KILES, deceased, to present the same with vouchers to the undersigned on or before July 20th, 1934, and all persons owing debts to said deceased are hereby notified to make payments of the same in due course to the undersigned.

W. J. Lamneck,
c/o The Chase Bank,
Shanghai, China.

Shanghai, China, January 15, 1934.

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Compiled in 1933

published by

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Population	Labor
Administration	Agriculture
Judiciary	Communications
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Money Market	Cultural Activities
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Men and Events

Robert Lacey Smythe, of the American Consulate in Nanking, recently returned from furlough in the United States. He made the trip from Shanghai to Nanking by auto.

J. G. Paton of the *Sydney Sun*, who has been in Tokyo and Kobe for two weeks, is en route to Manchuria to gather material for a series of articles for Australia Newspaper Cable Services Ltd.

James H. Howes, former clerk of the U. S. Court for China, has been appointed secretary of the Shanghai American Chamber of Commerce in succession to Donald King, who resigned on becoming manager of the Shanghai Bureau of the *United Press*.

Rev. F. W. Norwood, of the City Temple, London, preached a sermon in the Community Church Shanghai, Jan. 15, in which he denounced existing systems of armaments and finance as being unproductive of world peace.

Yakichiro Suma, the newly-appointed Japanese Consul General in Nanking and concurrently first secretary of the Japanese Legation in China, is expected to arrive in Shanghai January 22.

Mario Massimi Rocchi, Italian journalist, representing a syndicate of Italian and Argentine newspapers, arrived in Shanghai during the week. He intends to remain here about a year to collect material for a book on China.

The principals involved in the big $18,000 robbery at the Wing On store Dec. 6 were arraigned before Judge Feng of the First Special District Court in Shanghai Jan. 15. Of the $18,000, about $9,600 has been recovered. All the prisoners confessed.

A petition has been submitted to the City Government of Greater Shanghhi by the Chinese Y.M.C.A., asking for the allocation of a piece of land as the site for a new Chinese Y.M.C.A. a building in the Civic Centre, Kiangwan, to which the City Government and its various bureaus were recently moved.

John B. Penniston of the *China Press* staff was ordered by Judge Purdy in the U. S. Court for China Jan. 15 to pay $1200 to Mitsuko Shiga, Japanese cabaret girl, for dresses destroyed by him. It was stated in evidence that he had burned them in order to "punish" her.

Reginald Sweetland, who for the past five years has been correspondent in China for the *Chicago Daily News*, has been transferred to the Tokyo office of said paper and is expected to leave sometime next month. Frank Smothers of Chicago will succeed Mr. Sweetland in China.

Late in December the four Ford trucks which went from Tientsin to Sinkiang (Chinese Turkestan) returned to Suiyuan. The trip from Sinkiang was covered in nine days, traveling a distance of over 6500 li. This is the first time that this route has been covered in so short a time.

Wu Hung-chung, former employee of the Standard Oil Company of New York, was sentenced to nine months' imprisonment by Judge Feng in the First District Court Jan. 17 for misappropriating $20,708,97 between November 17 and December 12, 1929 while in the employ of the firm.

Baron Jerzy Barthel de Weydenthal, first Minister of the Republic of Poland to be accredited to China, presented his credentials in Nanking, Jan. 16 to Lin Sen, chairman of the National Government of China. The minister also was the guest of honor at a dinner given by the Sino-Polish Society at Nanking.

Vice-Admiral Sir Frederic Dreyer, commander-in-chief of the China Station, arrived in Singapore during the week to attend the forthcoming British Far Eastern naval conference. The conference is meeting for the first time in nine years. The conference was suspended in 1925, when the situation in China prevented the commander-in-chief of the China Station leaving his post.

The *Poo An*, China Merchants' Steam Navigation Company's Shanghai-Tsingtao steamer, was pirated after its departure for Tsingtao from Shanghai Jan. 13. Fifteen pirates, all armed, commandeered the vessel and changed its course for the Fukien coast and held it for 3 days, making off with nine passengers, a substantial booty and a part of the cargo. The steamer returned to Shanghai Jan. 18.

The *Osaka Mainichi* (English edition, Jan. 7) commences an editorial thus :—"Strict pacifism has been the traditional basis of the diplomatic policy of this country. Especially have we shown the greatest concern about the maintenance of peace in the Far East, and we have never stopped short of a complete suppression of any attempt aimed at disturbing the tranquility in this part of the world."

The New York *Evening Post*, the oldest daily newspaper in the American metropolis, has been saved from extinction by J. D. Stern, who bought it last month. Mr. Stern is the publisher of the *Philadelphia Record*, which he also rejuvenated. Mr. Stern's papers are run on lines similar to the *Vancouver Sun*, which takes the attitude that the capitalistic world is foolish ao oppose President Roosevelt. The capitalistic world, these newspapers point out, should realize that Roosevelt is really doing his best to save the capitalistic system; the only alternative is Sovietization.

The Menace of the Yellow River

(From the Review's Correspondent at Kaifeng)

THE dykes of the Yellow River, at Hekangkou, 25 li north of Kaifeng city, Honan province are low and thin, where the river bed contracts narrower and narrower, until now it is not more than 500 Chinese feet wide, but the current of the general course of the river runs deeper and faster, According to Chen Ho-fu, engineer of the Huai River Commission, who came here to investigate the rive dykes, the Yellow River would burst its dykes at the above mentioned place, in case precautionary measures are not carried out before hand. Then the current of the general course of the Yellow River would pour into Huai River, and thus to the sea, passing through the Yangtze. As a result, communications on the Pinghan and Lunghai Railways would be cut off, and the three provinces of Honan, Anhuei, and Kiangsu, would be flooded. In addition, several hsiens or districts, such as Lanfeng, Kaocheng, Chungmu, and some others, would be entirely swept away.

With a view to repairing the dykes of the Yellow-River, the Yellow River Commission has telegraphed the Boxer Indemnity Commission to lend $500,000, while General Liu Chih, chairman of the province, requests the authorities of Anhuei and Kiangsu to send representatives to Kaifeng to inspect the dykes of the river at Hekangkou. The estimated amount of the expenditures necessary to repair the dykes of the Yellow River in Honan Province, is over $10,000,000, according to the Yellow River Commission.

Bandit Suppression in East Honan

Several thousand bandits, under the leadership of Cheng Tao-yung, Chang Suiwu, and Ma Hsi-yao, are creating considerable disturbance in Chengyang, Sintsai, Shenchiu, Siangyang, Fuyang, and neighboring dricts, in East Honan. The military authorities have dispatched General Liu Feng-chi, commandant of the 13th brigade, and General Pang Ping-shun, commandant of the 40th army corps, to suppress them. The chief headquarters of General Pang are established in Chumatien on the Pinghan line in Central Honan, and his 5th division is stationed in Junan.

General Liu Kwei-tang mutinied in North China ; he is said to be penetrating into the province. General Liu Chih, chairman of the Honan Provincial Government, has instructed General Kao Kwei-tse, who is now stationed with his army in Hsisiang in North Honan, to take precautionary means.

General Pang Ping-shun and General Kao Kwei-tze both arrived here today, to consult General Liu Chih, concerning bandit suppression affairs in the province. General Tan Tze-sin, commandant of the 10th Cavalry Division, who went to Peiping to consult General Ho Ying-tsin, director of the Peiping Military Branch Council, concerning supply of military funds for his troops, stationed here in the province, returned yesterday. According to General Tan, he was successful in his mission.

Relic Finds in Chengtehfu

According to arrivals, an ancient coffin was unearthed under an old building by its owner in Changte in North Honan. The owner opened it and found a large quantity of valuables, including 100 pieces of of gold, 20 pieces of jade, a golden helmet, a golden armor, and a golden statue about 2 Chinese feet high. The golden helmet is said to have sold to a Peiping curio merchant.

A bureau to cure opium smoking is shortly to be established in this city, under the auspices of the local public safety bureau. More than 200 opium smokers are waiting to enter the bureau to cure their habit.

Plague has appeared in Junan in South-west Honan. Many victims have died within a few hours of contracting the disease.

In the early part of the month, the Honan Provincial Government issued a lengthy proclamation to the effect hat the plantation of poppy be strictly prohibited in the province, and that those who neglect the order should be severely dealt with. But, according to a recent report coming from Huaiyang in East Honan, poppy is planted in great profusion there.

Kaifeng, Honan, Jan. 12, 1934.

Fraudulent Issue of Bonds Endangers French Cabinet

The debates in the French Chamber of Deputies during the past week have centered on the Bayonne swindle, particularly around the fraudulent issue of bonds to a total allegedly involving six million pounds sterling, and Alexandre Stavisky, the financier, who is said to have played the chief role and then committed suicide in Chamonix. For the second time since the swindle was exposed, the Cabinet, headed by Camille Chautemps, faces the danger of dissolution. M. Chautemps has expressed his determination to get to the bottom of the affair, regardless of whether his Cabinet were overthrown or not, and considerations, neither of persons or family, would govern his actions.

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New Books of Interest in the Far East

Voices From the Left

Chinese Destinies : Sketches of Present-Day China, by Agnes Smedley. The Vanguard Press, New York City.

The Commissar of the Gold Express : An Episode in the Russian Red-White Civil War, by V. Matveyev; International Publishers, New York City.

Armoured Train 14-69 *: A Play in Eight Scenes, by Vsevolod Ivanov, translated from the Russian by Gibson-Cowan and A. T. K. Grant : International Publishers, New York City.*

All these books rank very high in left wing literature, but that of Miss Smedley, who is well known in Shanghai, is by far the best although it does not compare altogether favorably with her *Daughter of Earth* which appeared about the time of her arrival in China a few years ago. This does not mean that Miss Smedley's literary powers show any sign of waning; but being fundamentally a very subjective writer who feels more deeply than she thinks, she is at her best only when she is dealing with something that is definitely a part of herself. In *Daughter of Earth*, which this reviewer regards as one of the genuinely outstanding literary classics in the English language, she wrote only of things that are the warp and the woof of her being, but in *Chinese Destinies* she is an environment that no one could know intimately in only a few years, particularly without knowing the language well,—and linguistic deficiency is considerably more of a handicap in literary sketches than in writing of politics and economics.

Miss Smedley, however, did learn much about China while she was here—more, in fact, about the masses of the country than probably any other foreigner has ever learned in twice the length of her stay. Nevertheless her technical equipment is very much inferior to that of Mrs. Pearl Buck, and even though one does like Miss Smedley's sociological outlook better than Mrs. Buck, an attitude cannot wholly make up for inferiority in technique. Consequently, Miss Smedley's Chinese do not ring as true as Mrs. Bucks.

Chinese Destinies includes both sketches in the form of short stories—most of which, however, are probably largely or wholly factual—and personal impressions. In the latter category, "A Moving Picture of Shanghai" is most outstanding not only as a mordant etching of the city, but for its revelation of Miss Smedley. All the fatuousness, the misery and inhumanity of this incredible Eurasian metropolis are presented in a few stark scenes, but only the degeneration of the ruling class is shown with naked realism. Yet the masses can be, and thousands upon thousands ot them in Shanghai are, more hopelessly degenerate than their rulers because the latter have at least enough will and strength left to fight for themselves. One may fully recognize, for example, all the bitter devolution that makes it possible for a lone policeman armed only with a short stick to completely terrorize a 100 rickshaw coolies in front of the Navy Y.M.C.A. and never be attacked except now and then very half-heartedly regardless of how many he beats, but a genuine realist cannot feel any sympathy (in the strictest sense of hat word) for the victims even though he may be moved to profound pity.

But blindness to the degeneracy of the masses and the significance thereof is the most common failing of amateur communists and romantic leftists whose radicalism is more emotional than intellectual. Miss Smedley, incidentally, makes no note in her "Moving Picture of Shanghai" of the almost daily phenomenon in front of the Navy "Y," but in an obviously personal item she records that a "foreign man and woman" once interfered with the beating of a lone rickshaw coolie late at night in the French Concession. The policeman doing the beating was a Chinese and when the foreigners presented the case to a French police sergeant he ramarks *inter alia*, "the policeman is a Chinese (and) he knows how to treat his own people."

"In bitterness," Miss Smedley continues, "the woman says as she walks away : 'I want to leave China—I can endure it no more.'"

Throughout her book—whether writing of communist martyrs, bandits, the Hunan miners, the Red Army, the 19th Route Army, the peasants of Kwangtung, Nanking, or betrayers of the 1925-27 revolution,—Miss Smedley sets down all the tragic exploitation of China's millions, but there is little of their vacuity, their deficiency in will and energy and courage,—their fatalistic hopelessness save in very limited areas. Of course, these characteristics are not peculiar to the Chinese masses, but they are perhaps more pronounced today in this country than in any other land save India.

Twice, however, Miss Smedley does touch on this aspect of Celestial destiny; once she quotes a very successful bandit as saying that coolies "work and starve," adding, "then why don't they starve without working? . . . . I tell you, Chinese workingmen are very foolish." In another place, describing the execution of a Kuomintang revolutionary during the regime of Sun Chuan-fang, she speaks of "the gaping thousands that did not lift a finger to save him from the soldiers" while he was led to his execution.

Another obvious lack of Miss Smedley's volume is that although dealing principally with the revolutionary situation in China, it contains nothing of importance about the Red areas which has not been previously published; like the other foreign supporters of the Chinese Soviet Republic, she apparently did not venture to visit it.

But taken as a whole, *Chinese Destinies* is one of the most momentous and illuminating books about China that this reviewer has ever read. Just two random quotations will serve to illustrate the penetration of her searchlight at its brightest.

"'The peasants,' she cites a Kwangtung official as telling her, 'are poor and they turn bandit to get food and money.' . . . There is but one wonder left : that there are so few bandits."

"The foreign press (at the time of the execution of all suspected Reds in Hankow in 1927) complained. Not at the killings. They complained because foreign ladies, on their way to the race course, often had to pass these bodies and were shocked. The foreigners demanded that the executions take place further away or that the bodies be removed after beheading."

The Commissar of the Gold Express is a thrilling adventure tale of the Russian Red revolution, but it is somewhat incomplete in that it takes place chiefly in Ekaterinburg during the time of the execution of the ex-Czar and his menage, but makes no mention of this episode although a fleeting picture is presented of the Romanovs in captivity.

Armoured Train 14-69 maintains the best standards of Soviet drama. Some of the lines give an extraordinary insight into the revolutionary period with which it deals.

"We have paid for our tickets and we can force them to take us to our destination," declares an old lady who "simply cannot understand" why a train is being delayed in the midst of a Red-White civil war.

"I don't care whether they (the people) live in comfort or not," says one of the Reds to a rather idealistic comrade. "You can't trust one of them. The swine deserve all they get." But the same Red later shows his devotion to instituting communism at any cost by declaring that "if need be, I am prepared to set fire to the earth."

If there are any such communists in China, Miss Smedley does not present them.

W. B.

The Evils of Capitalism

Our Unfinished Revolution, by Charles Elton Blanchard, M. D. Medical Success Press, Youngstown, Ohio. $2.00 (U. S.)

It is rather remarkable that a medical man should be the writer of books on social problems, more remarkable perhaps that he should write so well. Dr. Blanchard has a couple of books to his credit on the business of medicine, after which he embarked on a trilogy of Social Study. "Our Unfiished Revolution" is the third of the trilogy; the others being "Our Altruistic Individualism" and "A New Day Dawns."

In the first book of this social group, Dr. Blanchard presented a brief outline of the evolution of human thought, and more recently the birth and growth of the American nation. In the second, "A New Day Dawns," he offered a prophecy of the great change that must inevitably come in our social order. He sees that a great change is bound to occur because capitalism or "individualism" has in itself its own inherent factors of defeat and failure. He believes that Collectivism will take its place. He wants to see the change come soon and without the shedding of blood. He believes that there are more good minds working on the study of our social problems today than ever before, and that if we face the facts and are willing to cooperate for the common good, we can avoid the ghastliness of Russia's revolution and the defects of Communism.

It is the purpose of this third study to show the anthropologic development of the human race, the dawn and growth of power-production, and the necessity for a radical change. He feels that economic security and a more equable distribution of the annual wealth production are necessary to prevent life becoming ever more sordid; but these are not obtainable, to his mind, unless all the means of life are publicly owned (toward which we are tending) and unless each worker may have the full social value of his labor to call his own as private property (which would prevent the drab and low level of Communism).

He writes well. In his opening chapter on "The Human Thumb" he says :

> "Twice in my thirty-odd years of medical practice I have served as the accoucheur when babes were born with an extra number of coccygeal joints. One babe had so much tail it was later amputated. All students of embryology have marveled at these strange abnormalities that reach back to man's primitive history."

"That may seem far removed from a treatise on the human thumb, but he traces primitive man through his discovery of fire, through the Glacial Period and says,

> "It must have been a busy time for our primitive ancestors. Fleeing animals and fleeing men. Old Saber-Tooth was there. Huge hairy mastodons plunged along with reckless strides into the caves the strong fighters gathered the women and children. Fire warmed and warded. They had spears to thrust into

the bodies of animal enemies. They had stone axes to crush skulls. . . . When did all this happen? It matters little to us. What does concern us is the fact that man's tools saved the race. Man's hands explain his tools and man's thumb explains his hands. Let someone compose an ode to the human thumb!"

The laissez-faire profit-economy system must go. On what it has done to the world, Dr. Blanchard says:

"This wonderful doctrine was the crowning service of Nietzsche. Might makes right was the thought that sent the hordes of Genghis Khan all over westernAsia and over much of present Europe. It sent the German armies into Belgium and France, It is now leading the soldier of Nippon into Manchuria. It drove nearly all the Indians out of North America. It led Cortez into Mexico to exterminate the Aztecs. It is subjugating Africa today by the white men of the north. It has humbled to the dust the radiant gory or ancient India. No wonder Nietzsche died insane."

That we must make a change of some sort is best expressed in his own words:

"The law of supply and demand no longer operates to regulate price. Our supply of everything greatly exceeds the demand and will always exceed it if our present production capacity is used fully in the hope of profit. We have great human demand unsatisfied because there is no buying power. Starving millions with an over supply of foodstuffs is a startling anomaly of the profit-economy. The Industrial Revolution is so far advanced now that the old money system suffers from senility. It has arteriousclerosis. The results of labor with machinery clog in the hands of the owning class. The periphery of society has pernicious anemia."

Sooner or later Dr. Blanchard thinks the evils of Capitalism will have to go. As one part or another of the capitalistic structure collapses today, Collectivism takes over. First the railroads, then the banking system, one thing after another will seek government help and assimilation. Long ago the postal service was collectivized and is freer from graft than other public utilities. Instead of struggle for wealth and power, instead of fear and insecurity, and war and poverty, would come peace and plenty, safety and security. The God Profit would be pulled off the throne. Social esteem, honor credit self-respect—these would be the motives instead of profit. As the author puts it:

"The profit-economy will be remembered only as an historic nightmare that came very close to world ruination. A new Hall of Fame will be built for those who finally discovered its diaboloical character, and had the courage to prosecute and to convict it in open court."

It sounds convincing, and not too difficult if once those who have control of wealth and power are convinced that it is either a peaceable and planned change to Collectivism for the United States or a bloody and precipitate revolution ushering in some form form of Communism. G.T.F.

"China Reconstruction & Engineering Review"

Judging by its first number this month, *The China Reconstruction & Engineering Review* is a valuable addition to the list of magazines published in Shanghai. As its title implies, the magazine is devoted to activities in economic reconstruction, such as industry, aviation, railways, highways, shipping, radio and public works. Articles in the first issue touch virtually all of these fields. The principal article is on the new Shanghai civic center; other articles deal with the expansion of the China National Aviation Corporation, the new Marconi wireless stations, the new ships that are being built for the China Merchants Steam Navigation Company, the Nanking-Pukow train ferry, the silk experiments at Lingnan University in Canton, and some of the enterprises of the National Construction Commission. Nearly all of the articles are well illustrated with drawings or photographs.

An introductory note in the magazine states that it has "no political nor other axes to grind," and its sole mission is "to report correctly and impartially everything that is worthwhile, by Chinese or foreigners, in the field or reconstruction all over China." "While our primary appeal," the note continues, "is to technical workers engaged in the enterprises covered by our title, we are seeking to present our material in a manner that will be read and appreciated by anyone anywhere in the world who desires to keep abreast of what is happening on the engineering and industrial front in China."

An appeal is made by the editors for cooperation from everyone interested in the field covered, and contributions, if accompanied by photographs or other appropriate illustrations, will be welcomed.

In make-up, printing and general appearance, the magazine is exceedingly attractive and second to none now published in Shanghai. The cover is especially striking and the contents are extremely readable and informative.

The managing editor of *The China Reconstruction and Engineering* is E. H. Chu, a well known Shanghai journalist and business man who is familiar with many branches of engineering. The editorial offices of the magazine are at 1c Kiukiang Road, Shanghai.

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CHINA WEEKLY REVIEW

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CUSTOMS NOTIFICATION NO. 1334

The public is hereby notified that the Government has withdrawn *sine die* the embargo on exportation abroad of all qualities of wheat flour, that no change is made in the existing duty treatment of wheat flour exported abroad and that the bond procedure for wheat flour shipped coastwise is cancelled.

H. O. Tong,
Superintendent of Customs.

A. C. E. Braud,
Commissioner of Customs.

CUSTOM HOUSE,
Shanghai, 17th January, 1934.

Shanghai Compradore Price War Comes to an End

The cut-rate price war which had raged among local compradore (grocery) shops during the last five months, came to an end this week. The trouble started when one of the shops published prices of their goods in local newspapers contrary to the regulations of the "trust." So keen was the competition that the price of certain imported commodities fell below actual cost. Incidentally several foreign importing firms were brought to the verge of bankruptcy as the local shops were unable (or unwilling) to fulfill their commitments.

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"The French Strangle-Hold on Yunnan — A First-Hand Survey," by Wilbur Burton.

Price 65 cents

"The Resignation of T. V. Soong — Is China To Be Ruled by Japanese Militarists or Chinese Communists?"

Price 20 cents

These booklets are reprints of articles originally published in **The Review.** They are interesting contributions on recent tendencies and developments in Far Eastern Diplomacy and are well worth reading. Send orders to the undersigned:

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The National City Bank of New York, Rates of Exchange

Shanghai, Jan. 17, 1934

Demand selling rate on America:	U.S.$100=Sh. $288.81
Demand buying rate on America:	U.S.$100=Sh. $285.71
Demand selling rate on London:	£1.0.0.=Sh. $14.769
Demand rate on buying London:	£10.0=Sh. $14.600

Latest New York Stock Exchange Quotations

Market—Steady — Business Done 3,540,000 Shares

January 17, 1934

1933-34 High	1933-34 Low	Div.$ per Sh.	STOCK	Mon. Jan. 15	Tue. Jan. 16
13⅝	3	—	Adams Express	8½	9
133	11½	0.60	Alaska Juneau	23⅝	22½
51⅞	70¾	6.00	Allied Chemical & Dye	151⅞	150¼
100	49½	4.00	American Can	99⅜	99½
19⅜	3⅞	—	American & Foreign Power	9½	9⅝
44⅞	7¼	—	American & Foreign Power 7% Pfd.	20	20⅜
58½	23⅜	—	American & Foreign Power Warr.	40⅜	41⅜
28⅝	8½	—	American Metal Co.	19½	19¼
153½	10¾	—	American Smelting	45¼	43⅞
34⅝	86½	9.00	American Telephone & Telegraph	119	117
94⅝	50⅝	5.00	American Tobacco "B"	71	71⅝
42¼	10⅞	1.00	American Waterworks	2⅜	20⅜
22⅞	5	—	Anaconda Copper	15⅝	15
18⅝	5⅞	—	Atlas Corporation	11⅜	12
84½	31	2.00	Auburn Automobiles	52⅜	51⅜
57⅞	8½	—	Baltimore & Ohio	26⅝	27⅜
49½	10½	—	Bethlehem Steel	42¾	42⅜
37⅜	18	1.60	Borden Company	23	23⅜
22½	5½	0.25	Borg Warner	24	24
20⅞	7¼	—	Canadian Pacific Railway	16¼	16⅜
103½	30½	—	Case, J. I.	69⅞	74¼
47⅞	16⅜	1.40	Chase National Bank	28⅜	26¼
52¼	14⅞	2.00	Chesapeake Corp.	37¼	39⅜
58	7⅜	0.50	Chrysler Corp.	53⅜	52½
28½	9	0.50	Columbia Gas & Electric	13⅞	14⅛
6½	1⅜	—	Commonwealth & Southern	2⅜	3
64¼	34¼	3.00	Consolidated Gas of N. Y.	42⅝	42⅝
19⅝	4⅞	—	Continental Oil	18	18
7½	2⅝	—	Coty Inc.	4⅛	4⅞
4⅝	1½	—	Curtiss Wright Company	2⅝	2⅜
18½	10½	0.75	Douglas Aircraft	17¼	17¼
96⅝	32¼	*2.00	Du Pont de Nemours	98¼	98½
89⅜	46	3.00	Eastman Kodak	82	84½
41⅝	10	—	Electric Bond & Share	16¼	15⅝
15⅜	9¼	—	Electric Power & Light	6⅝	6½
19	12	—	Fox Film	14	14
10⅜	2⅞	—	General Aviation	6	6
30½	10½	0.40	General Electric	21⅜	22½
39⅞	21	1.80	General Foods	35½	36
85⅜	10	*1.00	General Motors	37	36⅜
49¼	18¼	1.00	General Railway Signal	40	39½
27⅜	19	1.20	Gold Dust	18½	20
47½	9¼	—	Goodyear Tire & Rubber	37¼	36½
40	6½	—	International Cement	33¼	34½
46	13⅝	0.60	International Harvester	41¾	42
22⅜	6¾	—	International Nickel	22⅞	22⅜
21⅜	8¼	—	International Telephone & Telegraph	16	16¼
67¾	20½	4.50	Int. Tel. & Tel. conv. 4½ of 1939	60	63
88⅜	12¼	—	Johns Manville	61¼	62
26	7⅜	—	Kennecott	20⅜	20½
79¾	37½	2.40	Lehman Corporating	70⅜	70⅞
99⅜	42½	*4.00	Liggett & Myers, "B"	82¼	82½
36½	8½	1.00	Loew's: Inc.	23⅜	23¼
25½	10⅜	1.20	Lorillard P. Co. (Com.)	17⅜	17⅜
48⅜	18	1.00	McIntyre Porcupine	42½	41½
28⅞	8⅜	—	Montgomery Ward	25	25⅛
84½	18⅞	1.00	National City Bank (bid price)	26⅜	27¼
41⅝	5⅜	—	National Distillers	25⅜	24⅞
58½	14	—	New York Central	37⅜	37⅜
36½	12⅜	80% S	North American Company	17⅜	17⅞
96⅜	31½	2.00	Owens Illinois Glass	81½	83
31⅞	16	1.50	Pacific Gas & Electric	19	19
6⅞	1⅜	—	Packard Motors	4¼	4⅜
42½	18⅜	0.50	Pennsylvania Railroad	34	35
6⅜	1½	—	Pennroad Corporation	3	3⅛
18⅜	4⅜	—	Phillips Petroleum	16⅛	16¼
12½	3	—	Radio Corporation	7½	7⅝
5⅜	1	—	Radio-Keith Orpheum	2⅜	2⅝
54½	26½	3.00	Reynolds Tobacco "B"	42⅜	41¼
47	12½	—	Sears Roebuck	45	46⅛
11⅜	4	—	Shell Union	8⅜	8⅜
17	6	0.25	Socony-Vacuum Corp.	16⅝	16⅝
28	14½	2.00	Southern California Edison	18¾	20
22½	5⅛	—	Standard Gas & Electric	8⅞	9⅛
77	35	6.00	Standard Gas & Elec. 6% notes 1935	54	55
47	22⅜	1.00	Standard Oil Co., of N. Jersey	45⅞	45⅝
60⅜	46	—	Sterling Products	51½	53½
8⅜	1½	—	Studebaker	5⅜	5⅜
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14½	4½	—	United Corporation	6¼	6¼
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67½	23⅜	—	U. S. Steel	53½	53⅜
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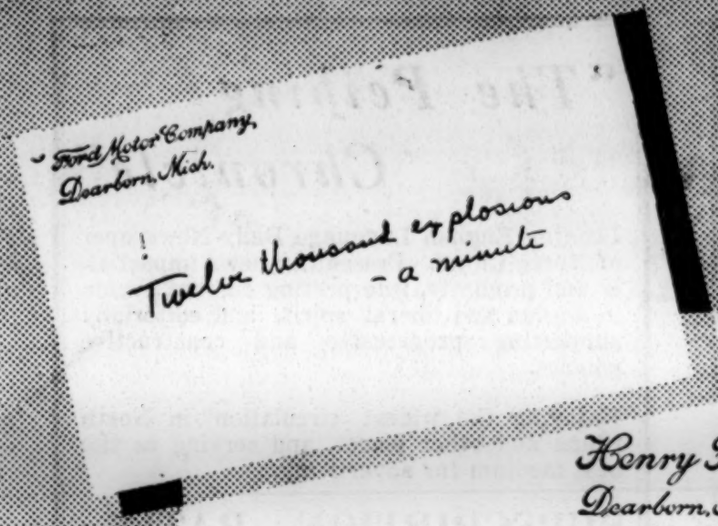

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One drop of gasoline, hardly as large as a grain of wheat (there are 178 of these drops in a teaspoonful) is vaporized as gas and burned in the combustion chamber: It is the resulting "heat expansion", or tiny explosion, that moves the piston, and so moves your car--5¼ inches.

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Now, it is natural that the small, confined combustion chambers should become pretty hot, each with its 1,500 explosions a mile For remember, at 60 miles an hour, this is 1,500 explosions a minute for each of the 8 chambers. With fewer cylinders there would be just as many explosions per cylinder, but the flame would be larger. Heat, therefore, is not surprising.

Where cylinder heads are of cast iron, as many are, this heat cannot escape as rapidly as is desirable. And so the engine has a tendency to "knock" or "ping" Thus, cast iron makes it necessary to hold a lower compression in the firing chamber, and this prevents getting the full power of the engine.

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The customer gets the increased power, the greater economy and the better performance.

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